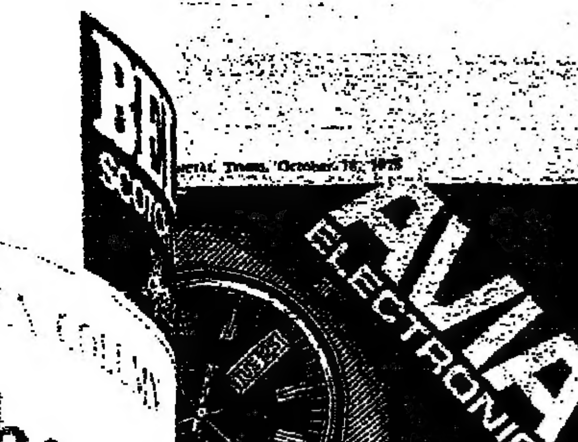


FINANCIAL TIMES

No. 26,798 Saturday October 18 1975 **10p

CONTINENTAL SELLING PRICES: AUSTRIA Sch.11; BELGIUM Fr.28; DENMARK Kr.2.75; FRANCE Fr.2.20; GERMANY DM1.70; ITALY L.300; NETHERLANDS Fl.1.50; NORWAY Kr.2.75; PORTUGAL Esc.15.00; SPAIN Ptas.38; SWEDEN Kr.2.50; SWITZERLAND Fr.1.50.

NEWS SUMMARY

GENERAL

Second kidnap tape found

...rther tape message has ... received from Dr. ...ma's kidnappers. Its ...ticity has been confirmed ...erenka employees who ...ised the voice of their ...ick factory chief.

... message, dated Thursday ...ad by Dr. Herrema prob... from his captors' script, ...ed the demand for the ... of three IRA prisoners. ...ette was deposited in a ... letter box in the north ...lin. Last night, there was ... police activity in the ... of Howth. Road blocks ...et up and armed police ...d home-going traffic.

...londerry man released ...he Maze Prison, Belfast, ...der of Ulster Secretary ... Rees, has been extra... to Eire. A man was shot dead near Cave Hill, Belfast.

...ths cleared ...972 killing

...ewisham Labour MP Mr. ...pher Price is seeking new ...on police interrogation ...s after the Court of ... freed two youths con... in 1972 for the killing of ...e transvestite. Medical ...e during the appeal ...hed that the victim died ... than had been thought. ...eant that the alleged con...s to the police could not ...ue, said Lord Justice ...n.

...nish Sahara ...eal to UN

...l Franco is understood to ...eeking urgent United ...s involvement to counter ...reat by King Hassan to ...0,000 Moroccans marching ...e Spanish Sahara. Spain ...en abandon the territory ...rally, leaving the two ...al claimants, Morocco and ..., to fight it out. Page 11

...el scientists

...ian-born Dr. J. W. Corn... ...f Shell Research and the ...ity of Sussex, shares the ...obel Prize for chemistry ...rofessor Vladimir Prelog ...ue. The physics prize has ...warded jointly to two ...and a U.S. scientist.

...ed for Peking

...ecretary of State, Dr. ... Kissinger, due to arrive ...ng to-morrow for a five... ...it to prepare for Presi...rd's trip later in the year. ...eet Mao Tse-Tung and ...n-Lai. Page 11

...ple and places

...s best-known racing ... M. Patrice des Moutis, ...g trial for his alleged role ... fixing of the Prix Bride ... race in 1973, killed him... ...is St. Cloud, Paris, home.

... of Nottingham, Tory ...lor Mr. Gerry Elliott, was ...20 with £128 costs for ...ng an elderly couple in a ...ht brawl outside his ...

... of Commons barman Mr. ...tchell, who was sacked for ...g to serve a peer in the ...r, has been reinstated.

... drivers and their cars ... marooned aboard the ... I O ferry Eagle at ...mpton by a human barrier ...wmen protesting at the ...sale.

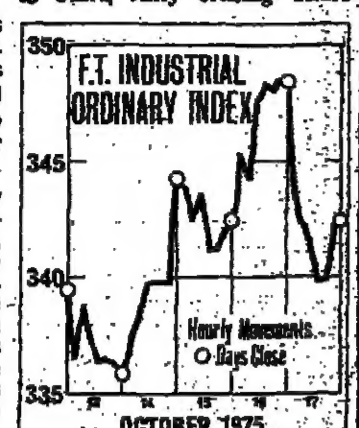
...rm fund chief Mr. Gero ...n was injured in an air... ...hich crashed on landing at ...re Island, off Galway.

... Parliament unanimously ... a vote of confidence in ...nt Jomo Kenyatta, follow... parliamentary crisis this ... in which two leading ...ment critics were ...d.

BUSINESS

Equities lose 6; gold up $1\frac{1}{2}$

● EQUITIES were depressed. The FT 30-share index fell 6.0 to 342.4, fully erasing Thursday's rise and leaving a net gain of 3 points on the week.



● GILTS were down after the Chancellor's failure to promise short-term reduction in Government expenditure. Longs and mediums closed up to 1¼ down, though shorts were less affected.

● GOLD rose $1½ to $145.

● STERLING gained 25 points to $2.0580. Its depreciation narrowed to 29.5 (29.6) per cent. The dollar's fall narrowed to 2.13 (2.16) per cent.

● WALL STREET closed 5.67 down at 832.18 after the collapse of a late brief rally on the last-minute financial rescue of New York City.

● TREASURY BILL rate was 11.4218 (11.3863) per cent. Minimum Lending Rate was unchanged at 12 per cent.

Courtaulds to lay off 1,400

● COURTAULDS is laying off 1,400 workers at its Holywell staple viscose plant in Clwyd for two months because of depressed textile demand. Back Page

● CEMENT prices will rise 9.1 per cent. at the end of the month—the fourth increase in a year. Page 19

● SIR DOUGLAS HENLEY, Second Permanent Secretary at the Treasury, succeeds Sir David Pitblado in February as Comptroller and Auditor-General—the chief official to the Commons Public Accounts Committee. Page 15

● PRIME MINISTER is to receive an emergency report on Ulster's deteriorating economy following a crisis meeting of industrialists and union leaders at Stormont Castle. Page 10

● MR. FRED PEART says he will resist EEC Commission plans for seasonal milk pricing which would lead to winter cuts detrimental to U.K. farmers. Page 10

● PERSONNEL directors of major companies are now better paid than financial directors, according to a survey. Page 10

● GOVERNMENT has approved about £1m. spending on its £10-a-week temporary employment subsidy over the next six months. 4,000 jobs in 30 companies have been saved. Page 12

COMPANIES

● EMPLOYMENT agencies Alfred Marks and Brook Street both show first-half pre-tax reduced profits, the former £51,000 (£5430,000) and the latter £511,058 (£858,876).

● METTOY pre-tax profits for the 36 weeks ended September 6 rose to £0.636m. (£0.566m.). Directors believe the year's results will be satisfactory. Page 14

● JOHN MOWLEM and Co. first-half pre-tax profits rose to £1.02m. (£0.79m.). Chairman says the order book is holding up well. Page 14

...F PRICE CHANGES YESTERDAY

(... in pence unless otherwise indicated)

RISES					
...Am. Asphalt ...	100	+ 10	Cavenham	141	− 4
...(Edward)	47	+ 5	Costain (R.)	218	− 6
...	34	+ 4	ICI	287	− 7
...ea & Lands ...	260	+ 20	Ladbroke	87	− 7
...Gold Fields ...	214	+ 6	Lesney Products	31	− 4
...ntein	790	+ 80	Lipton (L.)	28	− 10
...aiplaas	160	+ 10	Lucas Inds.	128	− 5
...tinental	580	+ 10	Lyons (J.) "A"	132	− 6
...ntein	£20	+ 1½	Marks (A.)	26	− 4
...al	850	+ 50	Metal Box	247	− 8
FALLS			Mettoy	28	− 3
...y 9½% 1980 ...	£89½	− ½	Midland Bank	280	− 10
...y 13¼% 1977	91½	− 1½	Phoenix Assurance	216	− 6
...s Bank	283	− 9	Reckitt & Colman	323	− 10
...harrington	98	− 4	Rowntree Mackintosh	163	− 6
...m	306	− 7	Swan Hunter	62	− 3
...	128	− 4	Thorn Elect.	198	− 8
St. Bureau	38	− 3	Trafalgar House	90	− 4
...ulp	88	− 3	Unilever	390	− 8
			Wolf Elec. Tools	90	− 5
			Shell Transport	358	− 6
			Peko-Wallsend	370	− 20

Deadline deferred to December 11

New York pulled back from brink at eleventh hour

BY GUY DE JONQUIERES, NEW YORK, Oct. 17

New York City was rescued dramatically to-day from its closest brush yet with default, but State authorities immediately warned that the city will have *exhausted all its financial resources* by early December and will then have to throw itself on the mercy of the federal Government.

This grim prospect was spelled out in a cable dispatched to President Ford by New York Governor Hugh Carey, whose personal intervention produced a last-minute agreement which enabled the city to raise enough cash to meet $441m. of obligations falling due this afternoon.

The breakthrough was achieved less than an hour before the obligations were due to go into default when Mr. Albert Shanker, president of the militant teachers' union, announced that he had dropped his opposition to the use of $150m. of teachers' pension fund money to help bail out the city.

This concession unleashed a *wave of almost tangible relief* following several hours of steadily mounting tension and uncertainty. The city had already placed an embargo on its regular Friday payments to dustmen, and a committee of legal and financial experts had been standing ready to decide how to keep *essential municipal services* operating in the event of a default.

Earlier in the day, the New York Stock Sxchange round it necessary to announce that it would open for business as usual. The Dow Jones index quicklye recovered an earlier *loss of about nine points* after the agreement was announced, though it later fell back again to close off 5.67 points at 832.18.

Mr. Shanker had been in almost continuous negotiation with Governer Carey since declaring yesterday evening that he had decided not to approve a commitment under which the pension fund would buy $150m. of Municipal Assistance Corporation securities: The MAC was set up last June to borrow on the city's behalf.

Mr. Shanker was apparently hoping that he could win official *endorsement of a new teachers'* contract whose viability has been in doubt since the State took over supervision of the city's finances last month. He appears to have failed in this attempt, though Governor Carey did agree *not* to ask the pension fund for any more contributions to help the city in the future.

Barring any new setbacks, the $2.3bn. package approved by the State to help the city should now proceed on course. But the State's own resources are now so heavily strained that there is no question of it being able to extend any further aid after *early December*.

Unless New York can obtain some form of Federal aid, it seems likely to face its next severe financial crunch on December 11, when it must redeem about $437m. in maturing debt. Mayor Abraham Beame said to-day that the city will face the prospect of inevitable default at that time if it gets no external help.

To-day's fresh appeals for aid elicited no response from the White House, where the Press secretary had stated earlier in the day that President Ford remained categorically opposed to any federal action designed to stave off default. It was also learned the Treasury Secretary Mr. William Simon had told New York authorities privately that he would reject any last-minute petition for help.

This afternoon, some city officials were suggesting that they might try to press their case with the Federal Reserve Board before New York's financing runs out. But chances of success there also look dim, and Fed chairman Dr. Arthur Burns has already said that he will not consider direct aid to the city though the Fed would move to help out commercial banks in the event of a default.

Personal relations between Mayor Beame and the President now appear to have deteriorated almost to the point of insults. Ii the early hours of this morning, the mayor called the White House but was brusquely turned away by an aide who told him that the President was already in bed and could not be disturbed.

New York city's best hopes for gaining federal help now appear to lie with Congress. May Beame and Governor Carey are flying to Washington to-morrow at the request of Senator William Proxmire, chairman of the House banking committee, which is con-

Continued on Back Page

Man of the Week, Page 24

Late delivery proposed for Swan Hunter ships

BY STEWART FLEMING IN LONDON AND GUY DE JONQUIERES IN NEW YORK

CAPTAIN MILA BRENER, joint managing director of Maritime Fruit Carriers, said in London yesterday that the company might not cancel the 13 ships which it has on option with Tyneside shipbuilders Swan Hunter Group.

The Board of MFC would recommend against cancellation of the option if delivery of the ships could be delayed "for between 18 months and two years."

In 1973, MFC announced that it had placed orders or options with Swan Hunter for 26 ships. The first 13 ships aer under construction or ocmpleted. During the past week, however, there has been growing concern about employment prospects at the Swan Hunter shipyards if the remaining 13 ships were to be cancelled.

Yesterday, a Tyne union leader stressed that Swan Hunter's reported tanker difficulties had been "painted blacker than they really are." After talks with senior management, Mr. George Arnold, local chairman of the Confederation of Shipbuilding and Enginering Unions, said he was satisfied that the company had no plans for cutting back the work force unless there were greatly changed circumstances not foreseen at the moment.

Swan Hunter itself has confirmed that it is in talks with the Government regarding its tanker building programme. But it has denied that it has gone to the Department of Trade for funds.

Yesterday however, Mr. Brener said that in the past few days in which he has been in London he has been in discussions with the Swan Hunter management concerning the building programme which it has placed with Swan Hunter through MFC's 75 per cent.-owned associate Swan Hunter Maritime.

On the financial position of Maritime Fruit Carriers itself, a company which has always been highly geared and which trades on the over-the-counter market in New York, Captain Brener said that its position was no worse than other shipping companies.

During the past few weeks, the MFC had raised "considerable sums" from international bankers to meet its immediate liquidity needs.

"We have raised in the last few weeks the required cash flow for our next requirements and we are working on a large *refinancing scheme* which is at an advanced stage." The company was also in discussions with German, French and U.S. citizens with the object of strengthening the international representation on its Board of directors.

He stressed the world wide nature of the shipping crisis. "About 60 or 70 international *banks are deeply involved. Major* banks are strained on all these projects with sums of perhaps $35bn. involved. If you walk into a bank they ask you to come back next week."

He pointed out, however, that MFC had always traded in ships and this was one of the ways the *company* was meeting its cash needs. Of the 13 ships in the initial order from Swan Hunter's yard, eight had already been sold to the Russians. He described Nikreis Maritime, a Cayman Islands company mentioned in reports on these sales as a "broker."

Commenting on reports that MFC has had an inquiry from Russia about purchasing severdl of the company's "reefers"—*refrigerated ships*—Mr. Brener *said* that *MFC* had had *serious* inquiries from five prospective purchasers and it might consider selling between two and four ships.

He described the 261,000-ton Tyne Pride, which came-off Swan Hunter's slipways last week without a purchaser or charterer, as "our only problem." But the company would find a replacement charter. "We will find ways, we have always found ways."

STC likely to renegotiate pay deal after Foot warning

BY ROY ROGERS, LABOUR CORRESPONDENT

AMERICAN-controlled Standard Telephones and Cables is expected to renegotiate a pay settlement for some 3,000 employees after a warning from Mr. Michael Foot, Employment Secretary, that it risked sanctions unless the deal was brought into line with the Government's anti-inflation pay policy.

Although not the first company to be *told to trim a settlement*, STC is certainly the first to be warned that unless this is done promptly it would be "liable to the range of sanctions relating to price increases, applications for industrial assistance and public purchasing."

The sanctions, spelt out in the Government's White Paper, *The Attack on Inflation*, include refusing to allow any of the cost of a policy-breaking agreement to be passed on in higher prices; refusing to give discretionary assistance under the Industry Act; and denying Government contracts to companies that do not observe the policy.

The strong words from Mr. Foot indicate the crucial importance the Government places on its pay policy, which Mr. Foot boasted to the Commons yesterday had yet to be breached.

He told the Commons that 95 per cent. of the 2m. workers covered by wage settlements *since the policy was introduced* had accepted £6 or just below. The remainder had settled for even less, he added.

It is clear that the Government is in no mood to let any company get away with breaching the £6 limit, especially not a U.S.-controlled multinational which has just warned of redundancies at one of the plants concerned.

The STC settlement covers 3,000 workers at its Northern Ireland *subsidiary* who received increases of between £7 and £9 a week backdated to July 1 following an agreement on July 29.

As the anniversary date for their *settlement* was September 15, the Government maintains that the deal breaches the policy on two counts. Firstly is exceeds the £6 limit, and secondly it clashes with the ruling that there must be 12 months between pay settlements.

A company spokesman said *last night that though the formal* agreement had been signed on July 29, the new pay rates had been implemented on July 10, and at that time nobody knew of the £6 maximum. "At the time the company made the payments it did not consider them to be in breach of the pay code," he said. It would now reconsider the situation in the light of Mr. Foot's statement.

Plea to Wilson on Ulster economy, Page 10

No more aid, Scots newspaper told

By Chris Baur, Scottish Correspondent in Glasgow

LAST DITCH negotiations with Mr. William Ross, Secretary of State for Scotland, failed yesterday to produce further Government *funds to save Glasgow's* five-month-old Scottish Daily News.

The Government's refusal to go beyond the £1.3m. lent to the workers' co-operative when the newspaper was launched in May appears to seal the fate of the newspaper unless the £½m. it needs for survival can be raised privately.

One possible solution would be a new approach to Mr. Robert Maxwell, chairman of *Pergamon Press, who resigned* as the co-operative's chief executive a fortnight ago.

Mr. Maxwell, who has invested £114,000 in the venture, has said that he could raise another £500,000 if necessary.

The ideas which the co-operative has put to the Government—notably for launching a "24-hour publication" — were originated by Mr. Maxwell, who *is* still a "consultant" to the newspaper.

Critical

Leaders of the co-operative said *yesterday* that the newspaper would continue to be published, but the company may find it difficult to continue much longer than a week. It said that it was losing £15,000 a week on an operating budget of between £65,000 and £75,000 a week.

A letter from Mr. Bruce Millan, Minister of State at the Scottish Office, said that in spite of the Government's concern about the workforce it could neither provide further finance nor change the terms of its original loan.

It was clear that "the situation is critical and a very urgent injection of funds would be necessary."

Co-operative leaders met Mr. Ross, who again rejected their appeal. Mr. Nathan Goldberg, editor, said that the co-operative would try to arrange a meeting with Mr. Wilson.

The newspaper's 500 employee-shareholders were given few details of its financial predicament at a mass meeting yesterday.

The co-operative wants to buy time to prepare a *feasibility* study of an evening edition with which to supplement its morning sales of 175,000.

$ in New York

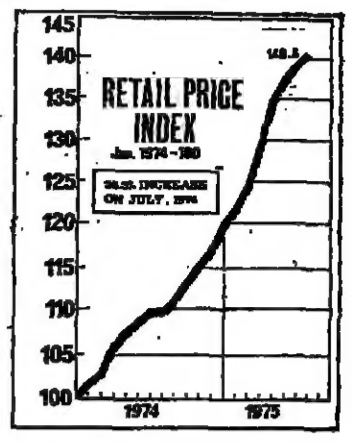
—	Oct. 17	Previous
Spot	$2.0560-0560	$2.0540-0550
1 month	0.95-0.88 dis	0.96-0.91 dis
3 months	2.60-2.50 dis	2.45-2.40 dis
12 months	7.80-7.60 dis	7.56-7.46 dis

Retail prices climbing less sharply

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE LONG-AWAITED easing in the pace of U.K. inflation has at last begun to show up in the retail prices index.

Figures published by the Department of Employment yesterday show that in the 12 months to September the official cost-of-living index rose by 26.6 per cent. (to 140.5, with *base January, 1974 as 100), compared* with a rise of 26.9 per cent. in the 12 months to August.



While there are known to be very many price increases still *in the pipeline*, there is a *tentative feeling* in Whitehall that the year-on-year increase in the index probably reached a peak in August.

The increase in the index between August and September was 0.9 per cent.—bigger than the *rise of only* 0.6 per cent. *during the seasonally favourable* month of August, but encouragingly below previous months—1.0 per cent. in July, 1.9 per cent. in June and 4.2 per cent. in May.

One of the most reliable indicators of the trend of prices is the movement of the index for "all items except seasonal food" *over a six-monthly period*.

This, too, points to a deceleration—from a peak of 16.8 per cent. in the six months to June to 14.9 per cent. (February-July), 14.0 per cent. (March-August) and 12.9 per cent. (April-September).

But Mr. Healey, the Chancellor, warned in his Mansion House speech on Thursday night that dramatic reductions in the year-on-year rate of retail price increase would not appear "for some months."

The target in the counter-inflation White Paper was to get the year-on-year rate down to "no more than 10 per cent." by "the late summer" of 1976, and single figures by end-1976.

Mr. Callaghan, the Foreign Secretary, recently indicated an upward revision to this target, referring to a range of "12 per cent. to 15 per cent." by this time next year and 10 per cent. by end-1976.

One of the most encouraging trends recently has been the sharp reduction in the rate of increase of wholesale output prices—prices of goods leaving the factory gates—and with a *time lag* of a few months, this *will feed through* to the retail index.

But a factor suggesting that *the July targets* may be optimistic is the recent behaviour of externally-induced price increases—both those caused directly as a result of a decline in the sterling-dollar rate, and those resulting from the recent increases in imported oil and food prices.

There is still strong upward pressure on food prices, for instance, although last month the food index went up less than the average, at 0.7 per cent.

Among the factors known to be hitting the cost of living index in October are the planned increases in postage and telephone charges (which will together put ¼ per cent. on the *all items index*); *higher coal and* gas charges; and increases in local authority rents.

Food price increases due to the latest change in the Common Market agricultural policy (the "green pound" devaluation effect) will be phased over several months, starting with 1½p *on milk in November*.

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

The week in London and New York

Mr. Healey unsettles gilts

Yesterday's reaction undid much of this week's market firmness with both equities and gilts moving lower. By Thursday, having digested an improved set of trade figures for September, the 30-Share index was showing gains over the account of 19 points—and there were strong hopes that the Chancellor (in his speech at the Lord Mayor's banquet) would provide added encouragament. But Mr. Healey had little to offer the City.

The market opened lower yesterday morning and by the end of the day it was 6 points down at 342.4. That was at least above the day's worst, and over the account equities have managed to notch up gains of 12.7 points. In contrast gilts have had another dull week with falls in places ranging up to nearly £2 yesterday. The Chancellor's speech made it plain that there are to be no cuts in public spending in the immediate future.

The property market has been gripped by one of its periodic bouts of jitters. But this week smoke was accompanied by fire; on Thursday the Crown Agents unveiled provisions against property lending totalling £101m.

Institutions make a start

This week the institutional investors took their first, tentative step towards providing an alternative source of finance for industry. A working party has been set up to examine over a period of two months the problem of how "viable" companies should be given assistance in a way which will "supplement and not supplant" the normal machinery of the capital markets. But the funds due to be subscribed (£15m.-£25m. initially) are pretty small beer amounting to only ½ per cent. of the value of external finance raised annually by industry, though they could actually rise to £300m. or so.

The scale of these proposals corresponds to the rather limited brief held by the working party. For example, the amount of new capital market money raised by companies in the first nine months of this year amounted to £1.3bn. (including the £213.8m. British Leyland issue). This compares with £65.4m. in the comparable period of 1974, and very nearly matches the total quanuity of money raised in the previous three years combined. However, at the moment the general supply of funds is not what concerns the institutional working committee. It intends to explore the selective application of support for companies whose short-term finances have gone awry but whose longer term profit potential remains intact.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM SEPT. 18

	% Rise
Motors & Distributors	+11.4
Building Materials	+ 7.4
Household Goods	+ 6.6
Insurance (Brokers)	+ 6.2
Toys & Games	+ 6.1
Electricals	+ 5.5
All Share Index	+ 3.7

THE WORST PERFORMERS

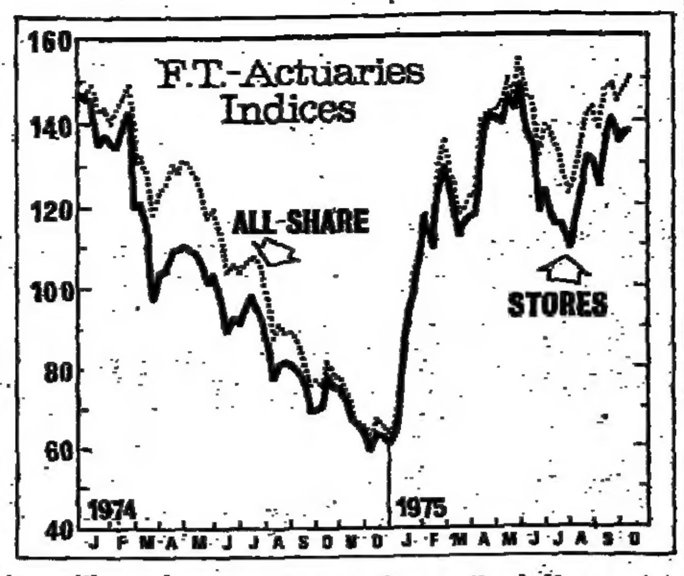
	% Fall
Property	− 3.2
Electronics, Radio, TV	− 0.1
	% Rise
Contracting, Construction	+ 0.7
Hire Purchase	+ 0.8
Chemicals	+ 1.0
Newspapers, Publishing	+ 1.8

The prime recent example of City support for such a company was that of Fodens, where the institutional role was anything but philanthropic. A £3.1m. rights issue of Convertible Preference shares (96 per cent. of which was left with the underwriters) carried a net yield of 10 per cent. and on conversion would account for 61 per cent. of the company's equity. The price paid for escaping from the clutches of the NEB also included management changes.

Slacker trade in High Streets

The stores sector has been noticeably weak against the market over the past few weeks (as the accompanying graph shows)—and statements from three major retailing groups this week confirmed reports that trading has been relatively slack since the early summer. The increase in VAT on luxury goods has, of course, distorted the pattern, but a slowdown in sales growth is evident even for groups with a small involvement here. Sears Holdings, for example, talked this week about "quieter" than expected trading in its footwear shops and department stores since the end of July, while even British Home Stores, which achieved a near 13 per cent. underlying volume gain over the six months to mid-September, reported a slackening in its rate of growth in the past few weeks. At UDS Group, where total turnover was 21½ per cent. up after six months, the rate of increase has now slipped to around 15 per cent., in line with the official statistics.

While trading conditions may become much more difficult for the leading store groups during the next few months—and a lot will depend on the key Christmas and New Year sales period—most companies will have a good first half profits increase under their belts. Sears' half-year's profits were nearly 12 per cent. up (excluding loan stock redemptions), while BHS was ahead by a similar amount even taking account of the need to eliminate an earlier excess of gross margins over the control level. The exception was UDS, with profits down because of problems in men's tailoring and lower deferred credit transfer. But both Sears and BHS should have enough in hand to produce a higher full-year total, which is what the market is counting on in view of prospective p/e's of around 10 and the mid-teens respectively. The immediate question for the sector is how well Marks and Spencer, due to report next Tuesday, has performed during the generally strong first half of 1975 and this raises the long-standing issue of its rating relative to BHS, which currently enjoys a slight premium.



A love match in timber

The striking feature of this week's bid stories has been the share price strength of Magnet Joinery and Southerns-Evans. The pair announced a straight merger on Monday, their combined earnings prospects could be exciting and as a new company they are able to slice through dividend controls. But Magnet does have a 3 per cent. stake in Southerns which presumably leaves arround £½m. worth of stock over-hanging the market in the shape of a placing. This week Southerns has jumped over two-fifths while Magnet is 27 per cent. higher.

Under the terms of the merger, Magnet will get 55 per cent. of the new equity for a contribution to assets and profits just a shade less. But the deal none the less bears all the hall-marks of a love match; the balance sheet of the new company will be impressive with net assets of around £32m., negligible borrowings and cash balances of over £5m. The past trading policies of the two groups are an intriguing mix. Magnet has always followed a policy of centralisation while Southerns has strongly championed local management controls.

Bitter pill for Glaxo

Elsewhere, the defence document from Permali has elicited an increased offer from BTR (worth 30p a share in cash, bang in line with the Permali share price) while Inchcape has stepped up its bid for Anglo-Thai by 8½ per cent. Inchcape has underwritten its package and secured the acceptance of Estate House Investment Trust which controls just over half the votes in A-T.

Although there was some indication at the half way stage that margins were under pressure at Glaxo the results for 1974-75 (announced on Monday) disappointed the market; sales rose 23 per cent. but profits dipped £1.2m. at £41.49m. The shares at 335p have now shed 8 per cent. since the figures.

Glaxo's inability to push through price increases to cover fast rising overheads both at home and, in particular, overseas, is basically the trading story. Prices are rigorously controlled in competitive areas while some product prices have even fallen. The price of bulk penicillin has slumped from an average price of $22 per bn. Oxford Units in 1973-74 to $16 in 1974-75, which implies very little profit for Glaxo in the latter stages of the year.

Penicillin prices have remained at depressed levels so Glaxo would have made precious little earnings progress in the first quarter of the current year. Moreover, competition now seems to be hotting up in the field of cephalosporins where Glaxo once ranked supreme (along with the U.S. giant Eli Lilly). A favourable impact from new products should be seen towards the latter part of 1975-76; but meantime raw material costs are giving cause for concern. Chemical companies, faced with falling volume, have been raising prices, while the price of sugar—which Glaxo uses extensively—could well suffer from the poor European beet crop.

Onlooker

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1975 High	1975 Low	
F.T. Ind. Ord. Index	342.4	+ 3.0	365.3	146.0	Rise trimmed by Healey's speech
F.T. Gold Mines Index	270.4	+19.1	442.3	231.6	Strength of bullion
Treasury 3% 1977	£89⅝	+1½	£89½	£84	Intern'l interest rate hopes
Aberthaw Cement	103	+11	108	32	Excellent 1st-half profits
Anglo-Thai	144	−10	157	75	Revised bid from Inchcape
BP	593	+21	593	190	Local and revived U.S. demand
Coronation Syndicate	190	+25	345	150	Higher quarterly profits
Dunlop	62	+ 7	62	17	Ahead of next Thursday's interim
GRA Property Trust	11½	− 5½	37½	11½	Adverse Press comment
Gerrard & Nat. Discount	275	+27	310	175	Encouraging interim report
Glaxo	335	−30	427	198	Disappointing annual results
McNeill Group	43	+ 7	47	32	Excellent 1st-half profits
Magnet Joinery	175	+37	175	41	Merger with Southerns-Evans
Martin-Black	108	+16	108	45	Good half-year report
Pancontinental	580	+35	640	220	Uranium export hopes
Rugby Portland Cement	81	+ 6	82	29	Interim next Monday
Slater Walker	47	− 6	108	27	Small selling, no support
Southerns-Evans	125	+34	125	31	Merger with Magnet Joinery
Stylo Shoes	17	− 5½	28½	14	First-half loss
Swan Hunter	62	− 9½	113	49	Uncertain tanker plans

New York blues

BY JAY PALMER — NEW YORK, October 17.

NEW YORK CITY'S fantastic fiscal balancing act has been sending jitters through the financial community for some months and, by necessity, many of the grimmer implications have been long discounted. This said, however the awful ramifications of a possible city default later to-day or early next week have prompted new waves of gloom.

But, over the past eight months or so, countless city cash crises have been temporarily averted at the proverbial 11th hour by the "unexpected" intervention of creditor banks, New York State and the Municipal Assistance Corporation. Many have been hoping that this week's problems would prove no exception and that the Ford Administration would either directly step in or, more likely still, encourage and aid others to do so.

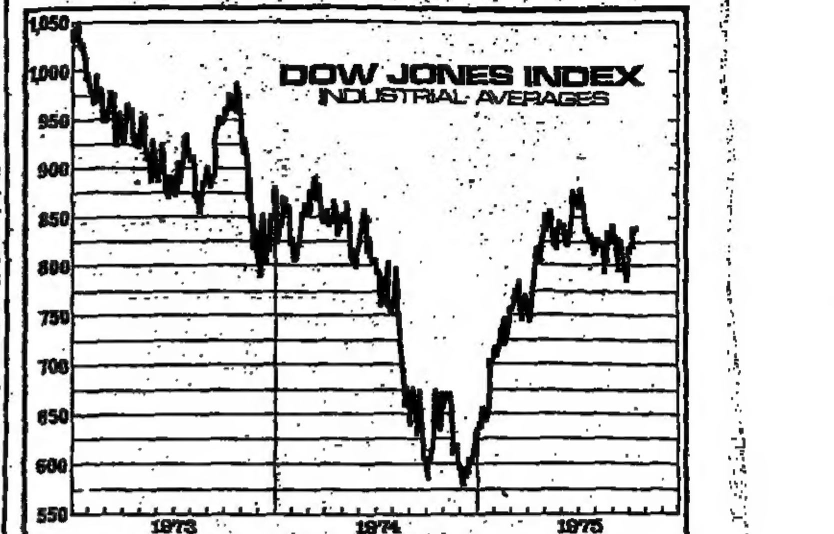
While the President did announce an urgent meeting this morning to consider the crisis, any immediate intervention remained a slim hope in that it would represent a dramatic reversal of all previously stated Administration policies. It thus came back to whether or not the City and State could persuade the pension funds to supply the missing cash.

For all the current gloom (Wall Street opened sharply lower to-day and the recent bond market rally came to an abrupt halt), "default" in the context of New York City remains a much mis-used word. Undoubtedly there would be a black period when confidence in State and other city finances came under pressure but nevertheless it would be unrealistic to assume that city creditors would eventually get less than 100 cents in the dollar even if in the interim there is a loss of interest income.

In fact, it has been convincingly argued that a default might be the best possible thing for the city in the medium term. Above all else, it would enable the city to take a very tough line with municipal employees and effectively force through otherwise unacceptable renegotiated labour contracts.

The impact of a default elsewhere is difficult to predict. While the bond and equity markets would certainly take a psychological hammering, it is difficult to see any real panic lasting for long given the acknowledged uniqueness of the city's problems. Of course, if New York State (as has been seriously suggested) was forced in turn to default, that would be another matter. But it is unrealistic to suppose that a Republican federal administration would allow its second biggest (Republican) state to fail.

Looking back over this week, Wall Street has clearly managed to hold up well to the steadily worsening crisis. If the performance of the dollar is any indication, there would seem to be some truth to the market view that many of the worries over the city stem from overseas. Making allowances for the very immediate negative implications, Wall Street may prove itself surprisingly resilient over the coming days.



Day	Change	Close
Mon.	up 13.86	837.17
Tues.	down 2.52	835.25
Wed.	up 1.97	837.22
Thurs.	up 0.63	837.85
Fri.	down 5.67	832.18

MINES IN THE NEWS

A better quarter ahead

BY KENNETH MARSTON

HELPED by a firm bullion price, the gold share market has taken the many September quarterly reports from the South African mines in its stride this week. For the most part the profits have been lower, as our table shows, which reflects a fall in the normal average gold price received to around $150-$155 per ounce compared with some $163 in the previous quarter.

As usual there have been exceptions. The Anglo American group's Orange Free State mines, for example, received higher gold prices thanks to payments from an accumulated "premium gold pool." But, as we have seen before, fluctuations in the prices received by individual mines tend to iron out over the long run.

More interesting is the indication that the industry generally is overcoming the shortage of black workers which has had a dampening effect on production in previous quarters. And, of course, optimum production is necessary in the continuing battle against rising costs especially so far as the more marginal mines are concerned.

The main point about latest quarterly results is that they do not reflect the 17.9 per cent. devaluation of South Africa's rand which took place at the end of September. Admittedly, this is not going to reduce cost-inflation but it does make a big difference to the mines' revenue.

At the new exchange rate a gold price range of only $123—$127 gives the South African producers the same revenue in rands as they received at prices in the $150—$155 range during the past quarter. Clearly, if gold keeps up at around the $140 level in the current three months the sales revenue is going to show a sharp increase.

The extent to which this will affect profits varies from mine to mine but the marginal producers stand to gain most benefit. At the same time, the devaluation means a less favourable exchange rate when dividends in rands are paid in sterling to the U.K. shareholders.

The question is, therefore, whether likely increases in rand dividends will compensate for this. For the most part it looks as though they will and in the cases of the marginal producers, at least, U.K. shareholders stand to be better off than they would have been without the devaluation—always providing that rising costs do not eat away too much of the exchange gain benefits.

Palabora's sales

Similar thoughts apply in the cases of the South African base-metal producers which sell on the basis of world prices. It is worth bearing in mind that a price of, say, £570 per tonne for copper now equals R1,012 compared with only R848 before devaluation. This brings us to the Rio Tinto-Zinc group's Palabora open-pit operation which is a good deal better placed than are most other copper mines at the moment.

The Zambian producers are losing money at to-day's depressed prices for copper and, like the big complex in Zaire, they are having to carry large unsold stocks as a result of the transport problems created by the upheaval in Angola. Elsewhere in the world mines are either cutting back on production or, at least, slowing down expansion.

Palabora, however, is still one of the world's lower-cost producers of copper and, as this week's quarterly report has shown, the mine is having to draw upon stocks in order to meet a good demand in South Africa for its output of copper rod. Such domestic sales are based on London Metal Exchange prices and, while South Africa restricts copper imports, she needs the metal for the current expansion of the telephone system and for the electrification of railways.

These various factors could result in some recovery in Palabora's quarterly dividend rate which has been reduced from last year's 30 cents to only 12½ cents in the first two quarters of the current year. But there will need to be a sharp recovery in base-metal prices, particularly of copper, to stem the decline in 1975 profits of the London parent, Rio Tinto-Zinc.

Turn of the tide

Another London-based mining finance house which is facing leaner times is Consolidated Gold Fields. This week the group has declared the increased final of 4.3021p net which was forecast at the time of the 11-for-100 rights issue in March; the interim on the old capital was 2.3979p and a total of 5.54p was paid for 1973-74.

Helped by higher gold dividends, a reduction in the provision for unrealised investment depreciation and the progress of the U.S. Azcon subsidiary, Gold Fields has lifted net profits for the past year to June 30 by £4.1m. to to £38.6m. But current year's gold income is likely to fall and one cannot see much hope of any early pick-up in the U.K. construction materials division.

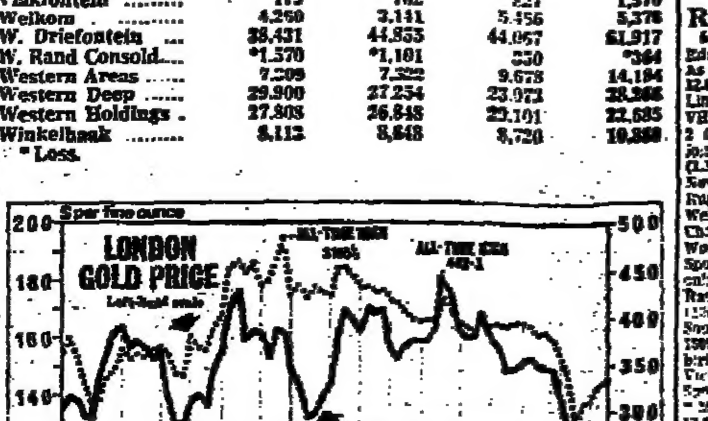
The Australian mining activities are not finding life too easy, either, but at least there has been a stirring of hope this week in the mining industry down-under. It began with news of a less repressive minerals policy there and was taken a stage further by the resignation of the Minerals and Energy Minister, Mr. R. F. X. Connor.

Since then there have been anticipations that the currently unpopular Labor administration will be replaced by that of the Liberal and Country parties. But on second thoughts nobody seems quite sure how soon this might happen. So Australian mining shares have taken a heavy tumble after an initial burst of strength this week. They are probably best left alone until the air clears.

GOLD MINE WORKING PROFITS

	Sept. quarter R000s	June quarter R000s	March quarter R000s	Dec. quarter R000s
Blyvooruitzicht	14,864	15,784	17,755	22,251
Bracken	4,451	4,611	4,728	6,084
Buffelsfontein	9,941	12,733	11,957	14,185
Doornfontein	5,036	5,868	6,697	10,112
Durban Deep	*1,181	*92	767	1,186
E. Daggafontein	*740	*489	82	310
E. Driefontein	13,605	15,972	12,737	13,757
E. Rand Pty.	*407	1,328	1,543	1,744
E. Transvaal	541	787	808	1,045
F. S. Geduld	27,715	25,818	25,979	26,272
Grootvlei	833	1,246	1,674	1,968
Harmony	6,955	12,877	14,1[illegible]	12,622
Hartebeest.	15,021	12,522	20,159	18,579
Kinross	5,398	6,221	6,588	7,775
Kloof	5,607	6,549	7,768	3,436
Leslie	1,445	1,933	2,612	3,616
Libanon	3,928	3,994	4,550	9,529
Loraine	936	309	2,509	4,128
Marievale	1,029	1,520	1,642	2,285
President Brand	29,401	21,166	22,728	23,815
President Steyn	14,927	12,360	15,238	12,891
Randfontein	6,716	6,611	6,299	6,374
St. Helena	15,567	17,133	16,540	20,311
S. African Land	128	197	440	1,549
S. Roodepoort	*431	*395	29	452
Stilfontein	1,818	1,934	3,267	3,991
Vaal Reefs	24,863	24,732	18,576	40,233
Venterspost	996	632	850	2,752
Vlakfontein	179	702	527	1,570
Welkom	4,260	3,141	5,456	5,376
W. Driefontein	38,431	44,853	44,067	61,917
W. Rand Consold.	*1,370	*1,101	350	*364
Western Areas	7,209	7,322	9,678	14,194
Western Deep	29,900	27,254	23,973	28,306
Western Holdings	27,808	26,848	23,101	22,685
Winkelhaak	8,112	8,848	8,720	10,880

* Loss.



TV/Radio

BBC 1

†Indicates programme in black and white.

8.55 a.m. Fingerbobs. 9.10 Star Trek. 9.35 Why Don't You? 10.00 Model World: Free Flight Model Aircraft. 10.25 On the Move. 10.35 The Virginian, starring James Drury. 11.50 Camp Runamuck. 12.15 p.m. Life with Feathers.
12.30 Grandstand: Football Focus 12.35; Boxing 1.00, 2.10; Racing from Kempton 1.20, 1.50, 2.25, 3.00; The Aintree Story 1.40: Richard Pitman recalls the drama of the Grand National: The World of Horse Trials 3.20: Open Horse Trials at Goodwood; Rugby League 3.50: Leeds v. Oldham; 4.40 Final Score.
5.05 The Basil Brush Show.
5.30 News.
5.40 Sport/Regional News.
5.45 Dr. Who.
6.10 Bruce Forsyth and the Generation Game.
7.00 Saturday Night at the Movies: "Secret Of The Incas," starring Charlton Heston.
8.40 The Dick Emery Show.
9.10 Kojak.
10.00 News.
10.10 Match of the Day.
11.10 Parkinson with Bette Davis and Ron Moody.

All Regions as BBC 1 except at the following times:—

Wales—9.35-10.00 a.m. Teliffant. 12.30-5.05 p.m. Grandstand as London except 1.00-1.20 and 2.10-2.25 Amateur Boxing: Wales v. New York State.

Scotland—4.55-5.05 p.m. and 5.40-5.45 Scoreboard. 10.10-10.40 Sportscene. 10.40-11.10 National Mod. Fiddlers' Rally. 12.10 a.m. Scottish News Summary.

Northern Ireland—4.55-5.05 p.m. Scoreboard. 5.40-5.45 Northern Ireland News. 12.10 a.m. Northern Ireland News Headlines.

BBC 2

8.55 a.m. Open University.
2.55 p.m. "Drums Across The River," starring Audie Murphy.
4.10 Chico and the Man.
4.35 Play Away.
5.05 The Money Programme.
5.50 Westminster.
6.20 Open Door.
7.00 Rugby Special: London Welsh v. Llanelli.
7.50 News and Sport.
8.10 Born 1900: Richard Hughes talks to Alasdair Clayre.
8.40 2nd House: Fanshen—book by William Hinton about a village in North China.
11.10 News on 2.
11.15 Open Door.
†11.55 Midnight Movie: "The Street With No Name," starring Richard Widmark

LONDON

9.00 a.m. Checkmate. 9.25 Artists at Work. 9.50 The Beachcombers. 10.20 The Jetsons. 10.50 Junior Police Five. 11.05 The Adventures of Black Beauty. 11.35 Planet of the Apes.
12.30 p.m. World of Sport: 12.35 On the Ball; 1.00 International Sports Special (part 1): Angling from Denmark; 1.10 News from ITN; 1.20 The ITV Six—1.30, 2.00, 2.40 from Catterick; 1.45, 2.20, 3.00 from Newmarket; 3.10 International Sports Special (part 2): The World Series Martial Arts Championships from Los Angeles, Australian Rules Football from Melbourne; 3.50 Half-time Round-up; 4.00 Wrestling from Southend; 4.50 Results Service.
5.10 News from ITN
5.20 Supersonic.
5.50 Space 1999.
6.45 A Joke's a Joke.
7.15 Sale of the Century.
7.45 Mystery Movie: "Get Christie Love."
9.00 Within These Walls.
10.00 No—Honestly.
10.30 News from ITN.
†10.45 Rattle of a Simple Man.
12.30 a.m. Why? with Pat Arrowsmith.

All ITV Regions as London except at the following times:—

ANGLIA
[illegible]

ATV MIDLANDS
[illegible]

BORDER
[illegible]

CHANNEL
[illegible]

GRAMPIAN
[illegible]

GRANADA
[illegible]

HTV
[illegible] 11.35 The Saint starring Roger Moore. HTV Cymru/Wales—As HTV General Service except:—1.30-1.50 Sion a Sian. [illegible]

SCOTTISH
[illegible]

SOUTHERN
[illegible]

TYNE TEES
[illegible]

ULSTER
[illegible]

WESTWARD
[illegible]

YORKSHIRE
[illegible]

RADIO 1 247m
(S) Stereophonic broadcast
6.00 a.m. As Radio 2. 8.06 Ed Stewart [illegible]

RADIO 2 1,500m and VHF
[illegible]

RADIO 3 464m, Stereo & VHF
[illegible] Schubert, Poulenc, Schumann (S). 11.25 Janet Baker in Strauss Songs (S). 12.02 p.m. Robin Ray with a selection of popular classics (S). [illegible]

RADIO 4 434m, 330m, 285m and VHF
[illegible]

BBC Radio London 206m and 94.9 VHF
[illegible]

London Broadcasting 261m and 97.3 VHF
[illegible]

Capital Radio 194m and 95.8 VHF
[illegible]

TV Top 20

Week ended October 12

			Homes viewing (m.)
1	The Sweeney	Thms.	8.30
2	The Two Ronnies	BBC	8.15
3	Man About the House	Thms.	8.15
4	Generation Game	BBC	7.85
5	Crossroads (Thr.)	ATV	7.85
6	The Liver Birds	BBC	7.35
7	Upstairs, Downstairs	LWT	7.35
8	Crossroads (Fri.)	ATV	7.20
9	Crossroads (Wd.)	ATV	7.10
10	Crossroads (Tu.)	ATV	7.05
11	Dad's Army	BBC	7.05
12	Opportunity Knocks	Thms.	7.00
13	Coronation Street (Mon.)	Gran.	7.00
14	My Son Reuben	Thms.	7.00
15	World in Action	Gran.	6.85
16	Dick Emery Show	BBC	6.80
17	The Invisible Man	BBC	6.65
18	Beryl's Lot	Yorks.	6.40
19	Coronation Street (Wed.)	Gran.	6.35
20	Softly, Softly	BBC	6.30

Figures compiled by Auditors of Great Britain for Joint Industry Committee for Television Advertising Research.

Your savings and investments

Unit trusts invest their liquidity

CHRISTOPHER HILL

IME last year when one ted investment manaout the liquidity levels funds the smart thing n to say was that they quid and getting more y day. But, although estor might be feeling now about economic ts, the current stance of ists is one of optimism, by the attitude of four argest groups.

ng with last year's archof liquidity, Slater the group is now down r 10 per cent. liquidity compared with a peak per cent. in July 1974. have been ups-and-In between, of course, was slow to get back e market. But now, the investment direcian Banks finds it it to be really bullish," feeling more confident ints to the weight of onal money which is ng the U.K. market on nside between 315 and Ordinary Index).

and Prosper takes much ne attitude. Coming rom a liquidity highf perhaps as much as ent. in the latter stages year, it is not yet fully but very nearly so in st terms. The overall of the S and P trusts een 7 per cent. and ent. and the group has ated this year on y getting cash into ood stocks." With a ory inflow of new the managers are not bullish but reckon that sent trading range of Index is unlikely to be ted on the downward

ng to the groups which t quite so liquid in the rket and were perhaps timistic about the stock prospects of 1975, both and Barclays Unicorn n more fully invested & P and SW. The group was never very t any time (20 per cent. eak including short-term nd some of its income were always fully in-But now it is invested xtent of 95 per cent. and arently no intention of g this stance. "It behat the U.K. market is ervalued in terms of the urrency" (that is deand points out that f its potential liquidity was directed into overdings—which have also

Barclays Unicorn—an trant to the U.K. market —is still optimistic and to only 3 per cent. across the board. This n also extends to its an fund which is fully and ready to benefit ny political changes ay occur there.

straw poll of major that sounds like a fairly ous verdict and the n contrasts oddly with m and despond prevailing even in January this year. Although the majors are reasonably happy about their net cash inflows, the overall trend of unit trust sales has not been particularly buoyant in recent months—so maintaining a high level of investment is an act of faith in the market.

One knows that these are the experts, but then no one can really predict the future course of the market. I always get a little worried when everyone points in the same direction and wonder whether the right course is to go the other way. But it is also wrong to jump off a bandwagon at too early a stage—which is probably the case now.

● LONDON INDEMNITY

Mixed blessings

COMPARED WITH the Nation Life saga, the rescue of the policyholders of London Indemnity and General by a consortium of other insurance companies has been a comparatively short-lived affair. But, although the rescue consortium announced that the rescue was still on last Thursday (a year after its formation), it also said that a detailed investigation of LIG's assets and liabilities had revealed a worse situation than expected.

Thus the new terms of support for the policyholders offered by the consortium will be on the following basis. First, the guaranteed surrender values under income bonds will, as before, be reduced to an appropriate actuarial value, to be determined at the time of surrender. Secondly, all benefits on single-premium contracts and annual premium policies (where the latter were taken out before the winding up) will be reduced to 90 per cent. of the amount provided in the contract. Things could have been a lot worse if the consortium had not stuck to its guns.

● LIFE ASSURANCE

Index-linked term policy

ONE OF THE features of life assurance which has been extensively questioned in recent years is the tendency for the industry to become investment-orientated rather than fulfilling its original function of providing protection. A lot of this has been due to the byzantine nature of commission arrangements between companies and their agents. But it never took a genius to see that a young man paying £5 a month premium for a conventional endowment policy (or unit-linked policy for that matter) might have been a lot wiser to protect his family with term assurance and take out investment policies at a later stage when he could afford it.

However, the wind of change is here even with the traditional companies and Legal and General's new five-year index-linked convertible term assurance seems to be a very good idea. The Index-linking is in line with the Retail Price Index and both the premium and the amount of cover are adjusted once a year. Premiums are payable monthly (or at less frequent intervals) and the policy is renewable every five years for a further term without a medical examination, or may be converted at any time to another type of policy.

This is really a policy for a younger man with family responsibilities and the rationale behind the index-linking is to maintain the real value of the cover. L and G points out that last year's inflation rate would have knocked something like 30 per cent. off the real value of £15,000 cover without index-linking. An example of the index-linked five-year cover is that at the outset a man aged 29 would have to pay £4.55 a month to provide £15,000 cover. One should remember, however, that this is somewhat more expensive than straight-term assurance without any index-linking provisions.

● YEAR BOOKS

Property index

THIS HAS BEEN a week for yearbooks including the annual offering from the M & G group, but more particularly the new Managed and Property Bonds handbook from Money Management magazine. This always provides a useful source of reference and this year it has an extra feature in the shape of a property bond index. This will be calculated once a month and is the average of the change in the unit price of the ten largest property bonds. There are two calculations of the index, however — one on an unweighted basis where the performance of all the constituents is of equal significance, and a weighted index biased in favour of the larger constituents. It goes back to January 1973.

The difference between the weighted and the unweighted index is so far that the former fell further in 1974 and recovered more sharply in 1975 than the latter. This reflects the experience of Abbey Property which the handbook states is by far the biggest property fund, accounting for nearly 46 per cent. of the combined sizes of the ten constituents at July 1, 1975. Looking at both indexes, the most striking features is the relatively narrow range of values in the property bond average when compared to a U.K. equity average plotted over the same period. This is really the main point in the property bonds's favour and the index is a valuable tool to enable bondholders to see how their individual bonds measure up. It should also be an indirect yardstick of measurement for the property market generally in the absence of any real property index. The book is available from Fundex Limited, Freepost, London, EC2B 2XY at £3.75 a time.

Changing pattern of performance

BY TERRY WILKINSON AND CHRISTOPHER HILL

ACCORDING TO the leading fund managers, they are still eager to invest their cash flow (see article on liquidity) and now the year is in its final quarter, it is interesting to track the performance of shares and sectors to see what the trends have been. One should remember, of course, that past performances can be an unreliable guide to future performance. But, particularly after the confusing gyrations of the past 15 months, Wood Mackenzie's market report for October contains a useful analysis of the best performing shares during the past six months of the bear market, the subsequent upturn and the period of consolidation since June.

As the market reached its nadir, the shares with overseas interests or traditionally defensive characteristics, emerged as the top performers. Thus half of WM's top 20 shares were overseas orientated such as Royal Dutch, BAT and Brooke Bond, while the U.K. was well represented by the retailers — GUS and Sainsbury — and Brewers and Distillers — Allied Breweries, Whitbread and Highland Distilleries.

However, the sharp reversal in market conditions at the start of the year was matched by a change in the characteristics of top performing stocks. Although the variety of individual shares is wide, the predominant attraction in the first 26 weeks of the year became high dividend yields and low p/es. The extent of the change can be seen from the fact that over half of the best performers during this period had lingered in the bottom 20 performers of the preceding six months. This is reinforced by the sluggish performance of the "defensive" stocks in the first half of the year, most of which underperformed the market. Thus the highly geared companies, which were felt to be so vulnerable during the bear market, enjoyed a new lease of life with Grand Metropolitan, J. Lyons and Dunlop featuring among the top 20.

During the consolidation of the U.K. market over the third quarter, the pattern is less obvious and in WM's view the major distortions have already worked gradually out of the system, with fundamental prospects appearing to return as a criterion for performance. One should bear in mind however that in the last quarter of 1974 one could get a blue chip share with overseas earnings, defensive qualities, high dividend cover and a high yield all rolled into one. Now it is necessary to look further afield and it is interesting that yield remains important since over half the top 20 shares in the final quarter have above-average yields. The dominant sectors are stores, building materials and TV rentals which may be regarded as having profit recovery potential if not product demand potential, given the various gloomy forecasts for disposable incomes

This is the reason for the continued strength in sectors like building materials where overheads can be quickly cut back. Building materials were 23 per cent. up in the third quarter against 7½ per cent. by the All Share Index and this shows up in the F.T. Ordinary Index where A.P. Cement is a strong performer with a 35 per cent. gain and London Brick is up 17 per cent. The strong rise in consumer durables also reflects the possibility of reflationary moves (up 20 per cent.) and this would also benefit stores like House of Fraser which has 30 per cent. of its sales in consumer durables.

Looking at the performance of the 30-Share constituents in this context, it may be seen that in the first half of this year, barely a quarter outperformed the All Share Index while in the third quarter more than three-quarters did. These included Boots (+26 per cent.); Cavenham (+29 per cent.); Hawker Siddeley (+20 per cent.); Spillers (+21 per cent.); and Turner and Newall (+23 per cent.). These and others were not necessarily the top performing stocks in the market but were indicative of a switch of sentiment in favour of established names within expanding sectors as growth candidates. As for the "improving" blue chips about which we wrote earlier this year, EMI is an example of a giant which is still gathering pace (up 17 per cent. in the third quarter) as the "brain scanner" catches on.

Looking at the sectors which underperformed in the third quarter they include investment trusts (with a 2 per cent. rise) which were in the lead during the early phases of the market recovery but have flagged as interest has turned to the industrial sectors. They could be ripe for recovery if international markets recover but are subject to other influences as well. Wines and spirits with a 12 per cent. drop is another poor performer but is dominated by Distillers where the price fall of over a quarter following institutional criticism over its performance accounted for all the negative contribution shown by the sector.

As for machine tools the 3 per cent. drop there in the third quarter reflects the worsening recession in the sector and the same goes for office equipment (down 4 per cent.). In Electricals (down 12 per cent.) all the four leading companies, GEC, BICC, Chloride and Plessey made negative contributions (influenced by such factors as Post Office cutbacks) while in Tobaccos, the guilty party was BAT.

TOP 10 PERFORMING STOCKS

13 weeks to October '75	26 weeks to July '75	26 weeks to January '75
BPB Industrial	Rowntree Mackintosh	Lyle Shipping
Electronic Rentals	Thomson Organisation	Royal Dutch
Tunnel Holdings	Associated Biscuits	Glenlivet
Hoover 'A'	United Biscuits	TST Ord.
Weir Group	Hepworth Ceramics	Furness Withy
Pilkington Brothers	London Brick	TST Defd.
Woolworth F. W.	Grand Metropolitan	BAT
Tarmac	BSR	Highland Distillers
Granada 'A'	Wimpey	Brooke Bond
RMC	Cavenham	GUS 'A'

This table is based on one in the Wood Mackenzie October review. WM reviews the approximately 140 largest companies which form the basis of the selection.

Interest rates

BY TERRY GARRETT

A POINT RISE in the minimum lending rate to 12 per cent. was predictably followed by increases in the clearers' base rates and other short-term interest rates. Although bank deposits have been increased by ½ per cent., building society accounts have, as yet, to make any upward adjustments. So it would seem even more desirable to look to the shorter end of the investment spectrum.

The coupon rate on local authority yearling bonds, for example, rose ½ to 12 per cent., where they have rested for the past couple of weeks. Again it is worth underlining the virtues of these bonds which offer one of the best short fixed-interest yields around with top-line security.

Three-month Treasury Bills, currently yielding about 11.4 per cent., reflecting money market rates, are probably one of the best avenues for risk-free relatively high-yielding short-term investment. Treasury Bills are three-monthly post-dated Government cheques payable at £100 per cent. The yield is calculated by the discount at which the bill is purchased to its value on repayment.

An investor would, however, need at least £5,000 of spare cash for three months, as this is the minimum unit in which the bills are issued. To buy them, a would-be investor has to approach either a discount house or a bank and, when bought, the bills have to be lodged with an authorised depositary or a bank. The commission charged on purchase is small, though the rates vary with market conditions; common figures seem to be $\frac{1}{16}$ per cent. from discount houses and ⅛ per cent. from clearing banks.

While local authority yearling bonds have the edge over a bill's yield, an investor has to hold a yearling for its full term in order to achieve the maximum return, whereas Treasury bills tie up the investor's capital only for three months. Moreover, there is a ready market should the investor need to sell his bill before maturity.

Finance and the family

Security of tenure

BY OUR LEGAL STAFF

In recent replies you have referred to the advantage of letting a house to a company, thus avoiding security of tenure under the Rent Acts. Would the same thing apply to a letting with a hospital, or a university, or the Army?

The principle which underlies the decisions excluding corporate tenants from the Rents Acts would apply equally to bodies such as you mention—most of these are in law corporations of one kind or another, and statutory boards would be subject to the same considerations. In view of the exclusion from the Rent Acts of those tenants of a university (or other specified educational institution) who are pursuing a course of study there, you might find a letting to such an institution more attractive. It is in any event essential to stipulate that there is to be no subletting other than to persons who are on terms which will not attract the protection of the Rent Acts.

Access to a golf course

The advice given on September 13 under the heading "Access to a golf course," that your correspondent can only acquire a right of way over a defined path or paths appears to have been offered without reference to the judgment in Re Ellenborough Park 1956 Ch. 131, since when it has generally been assumed that a jus spatiandi may be capable of ranking as an easement. Is this so?

While it is true that a jus spatiandi may rank as an easement, it is most unlikely to be acquired *by prescription* over a golf course because of the nature of the use of the golf course by the club members. The facts set out in the query indicated that the adjoining owners had been accustomed to crossing the golf course, not to walking on the course for their own recreation.

Investment in Bahamas

When the Bahamas were a British colony I bought a plot on the Grand Bahama and this year, for the first time, the Bank of England has made me pay the dollar premium on the money I send to meet the service charge. Could you explain why?

It seems probable from your letter that the authorities have reclassified your investment in a plot of land on Grand Bahama. Normally, maintenance charges would be allowed to be made without paying the premium only if the plot in question was designed for a holiday home. If, however, the plot is held simply as an investment you would be required to go through the premium currency market in meeting any charges, and it is likely that if you have held the plot for some time it has been decided that it falls into this category.

Not protected by Rent Act

Referring to your item headed "Not protected by Rent Act" (August 30), where some of the accommodation was shared, would this apply where a main home was elsewhere, but a flat was used about three days a week?

We think it unlikely that the use which you indicate would be sufficient for you to qualify as an owner-occupier though the matter is not free from doubt. If you make an arrangement which provides for the sharing of all the accommodation the Rent Act would not apply.

Remedying loss of deeds

A firm of solicitors in Dartford drew up for some properties, deeds for me, which were lost and now have been missing for a long time. I am getting old and feel I ought to do something about it. What please do you advise?

You do not say what the missing deeds are, but if they relate to the title of the properties the defect created by the loss of the deeds may be cured by registering the titles of the properties at the Land Registry. If so, you should require the solicitors to effect registration of the titles at their own expense (assuming that the properties are in or near Dartford, which is an aea of compulsory registration). Otherwise you will need copies to be made up from the office files and a statutory declaration made as to the circumstances of their loss.

An order for possession

I bought a house for my retirement and let it furnished, and have recently learned that under the latest Rent Act I should have written to my tenant and notified my intention of taking possession, though she was in fact aware of this. Can you tell me what my legal position now is?

Under Case 10 of the third Schedule to the Rent Act 1968 (as amended by the Rent Act 1974) the Court has power to dispense with the requirement of giving notice in writing not later than the relevant date, so that you may be able to obtain an order for possession against your tenant even though you did not give the requisite notice, but it will be in the discretion of the Court, not as of right.

Joint ownership and will

My father died recently, and left a will which states in the very first paragraph that "I leave and bequeath £2,000.00 to my daughter" (me). Soon after the will was made, all assets were put in joint ownership with my stepmother.

I am now told that although my father was a man of substance, I will not get the legacy, but only a small amount received as the result of the sale of his personally owned motor car. What, please, is your opinion?

On the information set out in your letter it is possible that your father's estate was indeed too small to pay your legacy in full. However there are cases where assets put into joint names have been held not to have been so dealt with in order to effect a gift, but as an administrative convenience. Hence a case might be made out for, say, a joint banking or deposit account not having been an effective gift to the person who put no money into it if in fact the account was wholly operated by the "donor." Your best course would be to consult a solicitor with a view to eliciting from your father's personal representatives full information as to the alleged joint ownership.

Dutch elm disease

Referring to your reply of September 3 headed Dutch Elm Disease, where you said that responsibility for damage probably lay with the local authority where the trees were in the highway and beyond the inquirer's garden wall, is it not a fact that free standing trees in the verge are normally owned by the adjoining frontages? Who would then be responsible?

While we accept that an argument can be mounted on the lines indicated by you, we think that the rather limited authorities on this aspect of highways point to the conclusion indicated in our earlier reply. In Halsbury's Laws (3rd. Ed.) Vol. 19, page 72 it is stated: "Trees growing on the highway and planted after dedication vest in the authority for the purposes of the highway so as to entitle the authority to cut them down if they become a nuisance . . . and the same principle would appear to apply to trees planted before dedication." Stillwell v. New Windsor Corporation (1932) 2 Ch. 155 shows that the authority has not only a right but a duty to remove dangerous trees or the former category.

Minor as a director

Is there any objection to our 16 year old daughter (still at school) serving as a director of a family company?

There is nothing to prevent a minor being a director of a private company unless its Articles of Association expressly require directors to be of full age—a provision which is not usually inserted in the Articles of such a company.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Bad building in Scotland

Early in 1973 we got an estimate amounting to over £1,000 for the modernisation of our house in Angus. To date a good deal of the work has not been done and what has, in some cases is not to specification. So far we have not had a bill, but we feel it about time to take some action. We are getting on in years and feel that if we were to die without matters being settled, our children who inherit the property, might be at a disadvantage. What please do you advise?

In Scotland when a builder so far departs from the terms of the specification forming the contract that a claim for the full contract price is excluded the client is still liable to make payment for the work done but only to the extent to which he has been enriched or benefitted by the building work.

Accordingly your liability to the builder is not the £1,000 forming the estimate but only an amount which represents the actual value to you of work which was done. Hence, you should now obtain an independent valuation of the work done from, for example, an architect or surveyor, and should not pay the builder any more than that figure.

Despite the fact that the bill has not been sent to you after a lapse of two years or more you are still liable to make the above payment to the builder but you should not do so until an account has been rendered.

After three years elapsing without an account being rendered what is known as prescription operates in Scotland which makes it more difficult for the tradesman to recover the account, and this is to your benefit.

In the event of your predeceasing the resolution of this dispute then your representatives would not in law be in a less advantageous position to dispute the claim.

Insurance

Advice for collectors

BY JOHN PHILIP

THIS WEEK I became involved in a discussion about the problem of trying to make an investment as near as possible inflation-proof, and I must report that the majority vote was not on stocks and shares but for antiques, coins and stamps with several strongly in favour of gold or silver coins which have an intrinsic value.

One protagonist was saying that he had acquired close on £1,000 worth of coins in the past 12 months when the thought suddenly struck him — what about insurance? From my questioning, it emerged that he had a home contents policy with a composite office, and that at the last renewal he had increased the sum insured to £4,000. But he had not notified his insurers of his coin purchases, nor had he thought, till then, of obtaining any special insurance apart from home contents.

Proof of value

Anyone building up a collection of coins or other valuables must tell his insurers, give them such proof of value as they may demand, pay any extra premium thtey may ask, and then make certain that the sum insured remained adequate, not only for the whole of his household contents, but also for his collection, particularly if he is adding to it by regular purchases throughout the year.

Unless he wants to take the collection out of the house to show to friends or to exhibit it, there is little purpose in paying the extra premium for "all risks" cover. The average home contents policy will be adequate as it affords cover against about a dozen perils, including fire and burglary, but not, I must emphasise, accidental damage. So if the collection is of fragile items such as china or porcelain, the policyholder must take special care or arrange "all risks" cover, in which event the insurers may impose special conditions as to how the property shall be kept and who may handle it.

As the collection, and the sum insured grow, the insurers may want the collector to take extra precautions to ensure the safety of his property—including anything fixing stronger locks and bolts, to the purchase of a safe, or even the installation of a burglar alarm. With so many insurers providing home and "all risks" cover, it is difficult to indicate the criteria, but the collector should not be too surprised if his insurers start asking for additional precautions when the total sum insured is in the £7,500-£10,000 bracket and the collection exceeds £2,500.

Of course any collector will want to have his collection at hand, to be able to enjoy it in his home, and to show it to visitors. Nevertheless, it will be much safer if it is put away in the bank, along with share certificates, documents of title, and so on.

But depositing valuables or documents in a bank does not mean that the depositor can forget about insurance as banks do not normally accept responbility for safe custody—the property remains at the depositor's risk. But, because deposit at the bank makes the property that much more secure, insurers normally provide the full range of home contents cover on property so deposited without charging any extra premium and, of course, without requiring any special protective devices to be fitted to the home.

Transit

Incidentally, most home contents policies provide cover away from the home for up to 20 per cent. of the total sum insured, so the collector-depositor must watch the percentage that the value of his collection bears to that total and, if need be, arrange for a higher percentage.

Within this percentage, the policyholder who keeps his collection at home while he and his family are in residence, and puts it for greater safety in the bank when he goes away on holiday, need not notify the insurers of its removal. But he must remember that his home policy does not provide transit insurance so that his collection, together with any other documents and valuables that he intends to deposit, are a[t his] own risk on the journey home to bank and back a[gain]. Depending on the time[,] distance involved and the value of the property he [may] think it worth while g[etting] special transit cover.

When a collection or valuable property is insur[ed on] the basis that it is nor[mally] deposited at the bank, ins[urers] will need to be informed [when] it is taken out. They [will] probably want to know [the] duration of its removal, [the] place where it is going t[o], the means of transport, th[e pre]cautions taken for its s[afety] and so on. They may pr[ovide] cover only on certain cond[itions] and most likely they will [charge] an extra premium. [What] insurers want in a parti[cular] case will depend on ci[rcum]stances and the ins[urers'] assessment of the addi[tional] risk involved.

No notion

Some people hold that [it is] unreasonable for the bank to accept responsibility [for] property that is deposited [with] them. But, normally, the [bank] does not charge for ho[lding] property. Furthermore the [bank] normally has no notion o[f the] contents of the deed box, [the] case, or whatever has [been] handed over: and, even [if the] individual manager, kn[owing] his individual customer, sometimes make an acc[urate] guess, he can scarcely [be] expected to be able to [put a] value on them.

For all these reasons, [it is] much more sensible for banks in effect to say tha[t they] supply you with a strong[room] as reasonably fire-proof [and] burglar-proof as we can ma[ke it]. If you choose to rely or [our] protection and not to i[nsure] you must take the risk [your]self. But of course it i[s] better for you adequate[ly to] cover your property [with] insurers of your own choi[ce].

Whether a collection is [in or] out of the bank, the questi[on of] what is an adequate [sum] insured must depend on p[roper] valuation. This is an asp[ect I] will turn to next week.

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CHESS BY LEONARD BARDEN

TWO ASPECTS of the play in last month's Alexander Memorial tournament at Middlesbrough are likely to be discussion subjects in international chess circles for months to come.

The first is a general point of tournament tactics; why did the young grandmasters who regard themselves as potential challengers to Anatoly Karpov acquiesce in a slow-run race which could only benefit the Russian veterans?

Nowadays every chess expert meeting an older opponent knows the principle which Petrosian used against Botvinnik and which Spassky followed against Petrosian in their world title matches: avoid early simplifications, try to carry every game over to adjournment, aim to create tactical melees in the fifth hour when the older man's stamina is suspect.

The tactics behind such games as Kavalek's 13-move draw with Geller and Hort's 14-move draw with Bronstein at Middlesbrough are at best mistaken in view of the outcome of the tournament and at worst represent simple non-trying.

It seems that an invitation list which includes a maximum of top grandmasters and a minimum of lesser lights is not a good one for ensuring a lively competitive event. The high proportion of short draws at Middlesbrough has been matched at two of the last four Hastings events: equally in Russia the quality of the play at the 1967 and 1971 Alekhine Memorial events failed to justify their star billing.

For an alternative formula, two approaches are worth note. This year's Birmingham tournament and the recent London Chess Fortnight both succeeded at modest financial cost with a mixture of grandmasters and younger British players; when the tournament pace is fast as it usually is in a mixed strength event, then short draws become a dispensable luxury.

This week's game is the second Middlesbrough mystery. How did ex-world champion Smyslov come to lose to Bronstein with the white pieces in only 19 moves despite the tradition of pre-game peace pacts when Russians play each other in international tournaments?

The story seems to be that there was a peace pact but that when Smyslov, after a few desultory and careless exchanges, offered a draw Bronstein could not bear to part with his by now very favourable position. Result—a distinctly Siberian atmosphere in the Russian camp for a few days following the game.

White: V. Smyslov (Soviet Union). Black: D. Bronstein (Soviet Union). Opening: King's Indian (Middlesbrough 1975).

The opening moves were 1 P-Q4, N-KB3; 2 N-KB3, P-KN3; 3 P-B4, B-N2; 4 N-B3, 0-0; 5 B-N5, P-Q3; 6 P-K3, P-B4; 7 B-K2, N-B3; 8 0-0, B-B4; 9 PxP.

A sign that White is only interested in a draw; he could try for an advantage by 9 P-Q5, N-QR4; 10 N-Q2 followed by P-K4.

9 ... PxP; 10 QxQ, KRxQ; 11 QR-Q1, N-K5; 12 NxN, BxN; 13 P-QN3, P-KR3! 14 B-B4?

Probably the fatal mistake. It is essential for White's bishop to keep up the pressure on the opposing KP, so 14 B-R4 is necessary.

14...N-N5!

Taking immediate advantage: White's queen's flank pawns are the target.

15 P-QR3, N-R7; 16 RxR ch, RxR; 17 R-Q1?

Now White loses a piece, but 17 R-K1, B-B7 or 17 N-K1, N-B8 are also bad.

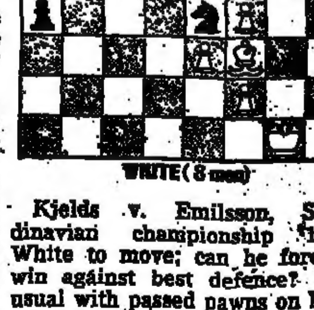
17 ... RxR ch; 18 BxR, N-B6; 19 N-Q2, B-Q6! 20 Resigns.

Why? Because he loses one of his three minor pieces however he plays.

If 20 B-N4, P-K4; 21 B-N3, P-B4; 22 B-R3 (22 B-B3, P-K5), P-B5! 23 PxP, PxP; 24 BxP (24 B-R4, P-KN4), N-K7 ch and NxB. If 20 B-B3, P-K4; 21 B-N3, P-K5; 22 B-N4, P-B4; 23 B-R3, NxK7 ch; 24 K-R1, NxB ch and now it is the knight which is trapped by 25...B-B6.

POSITION NO. 84

BLACK (7 men)

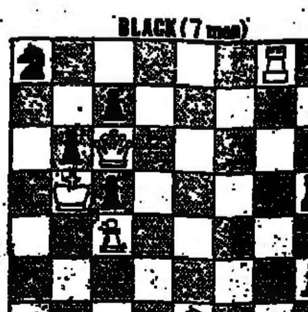


WHITE (8 men)

Kjelds v. Emilsson, Scandinavian championship 1975. White to move; can he force a win against best defence? As usual with passed pawns on both sides, the answer is more tactics than general judgment.

PROBLEM NO. 84

BLACK (7 men)



WHITE (5 men)

White mates in three moves, against any defence (by J. Moller, Deutsches Wochenschach 1912). A subtle key and play makes this a tough nut for solvers, despite Black's shortage of defensive moves.

Solution Page 6

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Motoring

pack of new sports cars

BY JAMES ENSOR

IS the year of the sports ... ixury cars at Earls Court. ... before have there been ... any expensive sports or ... cars on show for the first ... as at the 1975 London ... Show, which opened ... in the week. The ... iph Jaguar XJS and the ... ph TR7 from British ... id, the Esprit and Eclat ... Lotus, and a modified ... ar from Reliant make the ... t pack of new sports cars ... decade. The Peugeot 604 ... Renault 30 TS join the ... 264 to make a powerful ... of 2.7 litre, five-seater ... ive saloons and in a ... cheaper price bracket ... is the Leyland Princess, ... splay for the first time, ... on sale since March.

Triumph TR7

... only low-priced or ... ay cars introduced this ... e the Kitten from Reliant ... has finally adopted four ... for its glass fibre run- ... the Escort Popular, and ... Ascona from Opel which ... so be marketed by Vaux- ... e the Cavalier. Chrysler ... has introduced a new ... which will be sold in ... as the Alpine as a ... ment for the old Simca.

... aps the only major com- ... which has a new model ... w at the bottom of its ... is BMW, which with for- ... timing has brought in ... 1.6, 1.8 and 2.0 litre 3 ... For the rest, Leyland, ... oyce, Peugeot, Renault, ... and Volvo have all been ... adding new cars at the ... op of their lines.

... is, then, the year of the ... ay car? What about all ... uel price increases—with ... n the pipeline? And what ... the price of the cars ... lves, which have raced ... so that to-day one can ... y buy an interesting and ... executive car for less ... £3,000?

... display at Earls Court, of ... represents the results of ... ns made as far back as ... ince it takes four years ... n a design leaving the ... g board and emerging in ... owrooms. It seems that ... rket analysts and product ... rs almost universally got ... edictions wrong. They ... envisaged 1975 as a year ... spending on large, power- ... s with three-or four-litre engines, and saw their companies moving up the market with their ever more affluent customers. Jaguar, introducing a 5.3-litre sports car and Mercedes a 6.9-litre saloon, make one realise that the economists in both Coventry and Stuttgart sadly over-estimated the world supply of oil. Or did they even analyse it? One wonders.

The companies that got it right in 1975 seem to have done so more by accident than design. Ford, which replaces its models according to a regular and rational cycle, had the new Escort out in January. It introduced the Popular, as a low-priced simpler option, after a crash programme by managing director Mr. Terry Beckett—who incidentally is perhaps the most economically literate boss of a major European company as an LSE graduate. It was rewarded by seeing the Escort for several months become the best selling car in Europe, running neck and neck with Volkswagen's Golf.

BMW introduced the little 3 Series in August and saw it rapidly become the best selling model, pushing BMW's market share in the countries where it has been introduced up to record levels. But as Herr von Kuenheim, the BMW chief, candidly admits, the car was well into its prototype stage by the time that BMW realised the energy crisis was upon us, and the timing of its launch was fortuitous.

The design departments are, of course, busily re-working their ideas for the future and re-drawing some of the designs which are not yet committed. Most people agree that the day of the big, powerful car in Europe has passed. Sales of high performance sports cars and of big cheap cars have taken a tumble from which they seem unlikely ever to recover. The future lies, perhaps, with the compact, economical but very well finished car with good looks and good handling. The BMW 3 Series and the Leyland Princess, the Simca 1307 and 1308 perhaps typify three strands of this future.

The BMW, smallest and most economical of a range of well-designed and comfortable cars with superlative handling, is an example of what may come to be the executive car of the 1980s. The Princess, with its huge interior inside a small body, represents the large family car of the future. And the Simca, with a lot of room inside and a rear door illustrates the current thinking on ordinary family saloons.

Some engineers are even more eclectic in their thinking. Herr van Winsen of Mercedes, for instance, sees the future with the diesel and with cars becoming up to 30 per cent. lighter and more economical over the next couple of decades. The last of the Earls Court Shows, 1975, may also prove to be the last fling of the 150 mph sports cars and of the three- or four-litre big saloons.

Bridge

Putting in the boot

BY E. P. C. COTTER

TWO OF the declarer's great weapons in suit establishment are the duck and the finesse. It follows, therefore, that if you want to be a first class defender, you must be on the alert to upset the smooth operation of these two manoeuvres. To illustrate what I mean, I offer this hand:

N.
♠ A Q 9
♡ K 6 4
♢ 10 6
♣ Q 10 8 6 5

W.
♠ 10 8 7 6
♡ Q J 10 9 7
♢ K Q 8 2
♣ —

E.
♠ 5 4 3
♡ A 8 5 3 2
♢ A 4
♣ J 9 3

S.
♠ K J 2
♡ —
♢ J 9 7 5 3
♣ A K 7 4 2

South bid one club, North raised to three clubs, South rebid three diamonds, and North said three no trumps. That contract did not appeal to South, so he jumped to five clubs, which was, perhaps, somewhat optimistic, but four clubs would have been forcing anyhow.

Now let us suppose that you are sitting West. Like the original West, you lead the heart Queen, dummy ducks, and declarer ruffs. He now plays the Ace of trumps, on which you throw a heart, trances for a full minute, and then leads the two of spades. When you play the six (just like the other West) he finesses dummy's nine, ruffs a heart, and returns to the table via the spade Queen to ruff a third heart. He cashes the club King, crosses to dummy's Ace of spades, draws East's last trump, and concedes two diamond tricks.

You ought to have thought a bit more. Your trump void clearly worried South—why? Well, his preliminary count of your hand placed you with a 4-5-4-0 distribution, which meant that to ruff diamonds on the table would almost certainly meet with an overruff. So he decided on a dummy reversal, but that needed three entries to the table—two to ruff hearts and one to draw East's last trump. The nine of spades would provide the third, if you held the ten.

You see that you could have destroyed this entry by playing your ten on South's two, a coup that would have provided you with a talking point for a fortnight!

My second example shows a constantly recurring situation:

N.
♠ A J 10 4 3
♡ 7 5
♢ A 10 4
♣ 10 7 2

W.
♠ K 8 5
♡ J 6 3
♢ K Q J 7 2
♣ 6 4

E.
♠ Q 7 6
♡ Q 8 4 2
♢ 9 6
♣ 9 8 5 3

S.
♠ 9 2
♡ A K 10 9
♢ 8 5 3
♣ A K Q J

With East-West game, South dealt and bid one heart, and over North's one spade rebid two clubs. North said two diamonds, an intelligent attempt to pave the way for a no trump contract.

South went straight to three no trumps, and West led the King of diamonds, continuing with the Queen and another to remove dummy's Ace. The declarer came to hand with a club, led the nine of spades and let it run. In an average game this is taken by the Queen, and when South regains the lead, he takes a second finesse and makes ten tricks.

This time, however, East was an expert, and ducked. This prevented South from enjoying the whole suit, but it did not defeat the contract, because two spades were all that he needed for it. But if West had been as good a defender as his partner, he would have played his spade King on the nine. This restricts the declarer to just one spade trick and defeats the contract.

This second hand high play, to shut out a suit in an otherwise entryless dummy, is standard technique with any first class player—file it away for future use.

The Arts

هكذا من الأصل

Scottish Opera at home

BY RONALD CRICHTON

By means of intelligent planning, energy, discernment and guts, Scottish Opera in the 13 years of its existence has won a place among Europe's leading companies. One thing has been lacking—a permanent base. Now one exists, in the form of the Theatre Royal in Hope Street, Glasgow, a Victorian building with a chequered but not undistinguished history, recently occupied by Scottish Television. In a remarkably short space of time it has been expertly converted and restored as a well-equipped modern opera house with an old-style auditorium. Although a few stair carpets and coats of paint were missing, the opening took place on schedule this week, in a last-minute aroma of scarcely dry plaster and builders' dust, with a special performance of *Die Fledermaus* on Tuesday, followed next evening by Verdi's *Otello*.

Sylvia Sass and Charles Craig in 'Otello'

A handsome home they have made of it. The auditorium looks large enough for Wagner but not too large for Mozart. In the stalls and first circle at least there is for once enough leg room between the rows of seats. The effect is something like a *bigger, grander Old Vic, with* the same dignified cosiness, the same easy contact between stage and public. The proscenium arch spans the entire width—none of the curving inwards that makes the stage at, for instance, *Sadler's Wells so disproportionately* narrow compared to the rest. The side boxes with Corinthian columns, the circle fronts with Renaissance-style plasterwork, are surprisingly delicate and elegant. The *colour scheme of chocolate* brown and beige with touches of kingfisher blue and subdued gilt, is extraordinarily pleasing—comfortable, warmly festive, not gaudy.

It was sensible not to complicate an already dizzy building timetable by opening with a new production. The *Fledermaus* was first seen last June in Edinburgh. *Otello* is a revival, adapted to the larger stage, of one of Scottish Opera's earliest successes. Of the two, the bigger work naturally illuminates the theatre's possibilities more clearly. In *Fledermaus* the Scottish Philharmonia had sounded, from the stalls, a little stiff and heavy. Johann Strauss's scoring needs a light touch, a not too suave caress, which perhaps comes less easily to the company's artistic director and chief conductor, Alexander Gibson, than the powerful attack he brought to the storm music in *Otello. For this opera* he had a larger contingent of the same orchestra, with the Scottish Opera Chorus straining every nerve and sounding more numerous even than they looked. Some of the playing had more spirit than finesse. Later, the tone began to settle down and glow as Mr. Gibson and the orchestra gave a beautifully fluent account of the scherzo music in Act 3 while Iago, overheard by the concealed Otello, draws out the unsuspecting Cassio.

Charles Craig and Peter Glossop were back in their old roles as Otello and Iago, *pillars of* strength even with Mr. Glossop in roughish voice for the first two acts. Both singers sounded heroic from middle or back stage. The extreme front served well enough for Iago's *confidential asides but full* delivery seemed to dwindle there: the oath duet was consequently not all it promised to be. The Desdemona was an interesting newcomer. Sylvia Sass is a young Hungarian with *laurels freshly gathered in* Germany and Austria. She started, as young Desdemonas often do, uncertainly and tightly, but already in the duet there were expressive phrases which gave a foretaste of the altogether *superior quality she showed* throughout Act 4. In the middle acts there were awkward patches when the tone went to the back of the throat and the Italian words were lost side by side with moments of real poignancy. *Miss Sass is easy on the eye:* as an actress she is winning if a shade self-conscious in gesture. Cassio (David Hillman) and Emilia (Claire Livingstone), new to their roles though not to the company, both contributed *effective studies*.

To say that Ralph Koltai's set is based on a long strip of cyclorama and a hexagonal platform gives a poor idea of its adaptability to Alex Reid's costumes and Charles Bristow's subtle lighting, which between them clothe the bareness and cloak the depths and distances (the stage is deep as well as wide), allowing the chorus, grouped by Anthony Besch in fluid, constantly changing patterns, to melt on and off the acting area, while Iago can prowl in the shadows at the side. The only jarring note in this satisfying but wholly un-extravagant spectacle comes from a mingy throne in Act 3, glumly isolated, on a postage stamp of carpet. Even Desdemona's bedroom works better here than in most stagings.

Fledermaus in David Pountney's agile production (Mr. Pountney is also responsible, with Leonard Hancock, for the English translation) was a first-night party, with STV cameras much in evidence; the theatre's *charm survived the ordeal of* extra lighting, and since STV have been loyal supporters of Scottish Opera, they shall not be scolded. Patricia Kern, Robert Tear, Charles Craig, David Ward and William McCue, each of *whom has past or present* — as well as future, we hope — connections with the company, were special cabaret guests at Orlofsky's rout. It was a cheerful occasion, with the audience in much too excited a mood to worry about the things (in the theatre, not in the production) that were not quite ready. In any case, these must have been far more of a trial to those backstage, and for the efficient way the evening went in spite of difficulties, the company's staff deserve great credit.

The revivified Theatre Royal is miraculously there and functioning. But Scottish Opera still has to raise £800,000 to meet the initial, and for these days reasonable, cost of £3m. So much love and skill and hard work have already gone, at such a peculiarly difficult time, into the realisation of this project that any serious delay in the completion of the work and in the provision of endowment for the future would be unthinkable. There is need for a cupola to top the building, for a canopy on the street front to give some protection from the Glaswegian elements, for box office, rehearsal and administrative accommodation nearer the theatre. Judging from the understandable look of pride and admiration on the faces of those present on these two occasions there is no cause for despondency. But the *money* must be found soon.

GOLF BY BEN WRIGHT

The urge to excel seems to be missing

SYDNEY

THE END of a golf season during which the British have accomplished so little in terms of world-wide achievement is inevitably a sad occasion, often accompanied by bitter recrimination. For much of a much-travelled year, I have bitten my tongue excusing our miserable performances on account of climate, sheer lack of numbers, inadequate facilities and competition, the absence of the star performers, and any other excuse which I could glibly trot out.

Tony Jacklin, Peter Oosterhuis

Challenge

But as I sat at dinner in this lovely, starlit city, after a golfing day of glorious unbroken sunshine, in the company of three American-based Australian professionals, all of whom would give their right arms to be members of a Rest of the World team to challenge the Americans at regular intervals, I had to admit that, with few exceptions, our current crop of leading golfers, both amateur and professional, seem unambitious.

Not even that most intrepid traveller, Maurice Bembridge, is in the field for this week's New South Wales Open at Manly Golf Club, despite the fact that he was third in the event last year. This is as big a disappointment to the local fans, who respect his always cheerfully wholehearted efforts, as it was to me on learning that we do not have a single representative in a sub-standard field ripe for some rich pickings.

Last week at home, I received an anxious telephone call at an unearthly hour from a good friend, Phil May of the Wills Tobacco Company in Sydney, who runs the Wills Masters Tournament played at Victoria Golf Club in Melbourne next week. Could I get any of the leading British players to fly out at his expense to compete in this tournament and possibly the Australian Open Championship that follows it here in Sydney, he pleaded.

I regret to say the answer was in the negative, so it appears likely at the moment—unless someone quickly picks up a telephone somewhere in Britain or Ireland—that Norman Wood, the Ryder Cup golfer from Turnberry, who finished a creditable second to Gary Player in Perth, Western Australia, last year in the then Qantas-sponsored Australian Open, could be our sole representative in the championship this year.

What is the matter with our professionals? Are they all genuinely allergic to flying like Neil Coles or, as Gary Player asserts, are they allergic to hard work? I know many of them are family men with young children they want to see growing up, but there are millions more men the world over in the same situation whose terms of employment force them to travel far more often than they would prefer, and I count myself among that number.

What our golfers seem to lack is that vital competitive urge that drives them to accept nothing but the best from themselves. Tony Jacklin was possessed of that fanatical desire. Peter Oosterhuis, with a third of Jacklin's natural talent, and an awkward build further to handicap him, ploughs doggedly on, and how I admire his sheer persistence, will-power and courage.

But these two men stick out like sore thumbs. Most of the rest seem to be content to travel as little as possible to pick up the richest pickings. Their ambitions appear to wither when they have reached a certain standard of competence on the domestic scene, and they can skim off the cream in our far too numerous pro-ams.

I am not an advocate of many hours of thoughtless daily practice, the mindless beating down the range, hour by hour, of countless buckets of golf balls. But I do admire those golfers like my good friend Hale Irwin, who hates to be away from his wife and two young children but who regards the golf course like a businessman does his office, and feels it necessary to put in the required number of hours there before going home, if he is to remain on top of his job.

I well remember being on holiday with Irwin and his family at the remote, residential Princeville Country Club in the Hawaiian Islands two years ago last February, and being awakened each morning by the sound of iron clubs making contact with practice balls outside our cottage window. It was Irwin going through his two-hour work-out before our daily "friendly" four-ball sweepstakes.

A friendly match to Irwin was treated with about as much nonchalance as he must have prepared for his grid-iron clashes when a start defender at the University of Colorado. On every occasion at Princeville, the opposition was ruthlessly ground into the turf. That is the kind of professional golfer I appreciate watching.

Play at

Spare me from those who complain that without a sponsor they cannot afford to play in Europe, or those who bemoan the cut-throat competition and crippling expenditure required to make it on the American tour. I would like to make clear that I have nothing but admiration for the minority such as Jacklin, Oosterhuis, Bembridge, Wood, and a few more. But these are our men who play professional golf rather than play at it.

Blue scissors

BY NIGEL ANDREWS

Film Censorship by Guy Phelps, Gollancz, £5.50, 318 pages

Guy Phelps's *Film Censorship* is such a useful book that one wonders how one has done without it for so long: 300 pages of well-researched information on how the guardians of our cinematic morals have set about their task ever since the movies first appeared and presented the threat of a medium both uniquely immediate in its visual impact and uniquely widespread in its cultural influence.

Television has now outstripped the cinema on both these counts. But while television is its own censor—the security of a captive audience militating against experiment and innovation—film is still the *enfant terrible* of the arts; an unpredictable, ill-behaved child likely to go to any lengths to attract attention, and often kicking up sparks of genius in the process.

Although it casts its vote, finally, with the anti-censorship lobby, Guy Phelps's study gives a fair hearing to both sides. Phelps has had access to the files of the British Board of Film Censors—and seen it at work—and he comes up with the most thorough account of that body's operations yet published. No less enlightening are the chapters devoted to research evidence on censorship (still so vague and/or contradictory as to be of questionable value) and to "Hidden Censorship": Phelps showing here how convenience is often as ruthless a censor as morality, when feature films have up to ten minutes lopped off them in order to accommodate commercial breaks on television or refreshment breaks in the cinema. The book also looks at the statutory powers governing censorship, at the pro-censorship pressure groups like the Festival of Light, and at the shape of censorship in other parts of the world.

Phelps concludes by suggesting that since

> "'sick' material is only produced when there is a desire or need for it . . . the real problem is not how to eradicate such matter from the screen, but how to produce a society in which such needs are less pervasive."

This, I think, begs the question. There is no consensus, and there never will be, on what is or is not a "sick" film. One man's pleasure is another man's perversion; one man's "immorality" another's way of life. Until we as a *society* develop a *more* rational, humane attitude to the field of sexual behaviour—and a better-researched one to that of violence—we have no business setting up cultural dictatorships to determine what may or may not be seen on our cinema screens.

Phelps's book is the first thorough and scholarly blow struck in the modern British censorship debate. Better still, it is a blow struck for the right side.

This 21-inch high group by Arthur Dooley, 'Sheila with dog,' cast in solid silver and gold and finished with diamonds and other precious stones, is to be auctioned by Danny La Rue at the Royal National Institute for the Blind's ball at the Hotel Piccadilly, Manchester, on Monday. Mr. Dooley has given not only this piece but two bronzes. Sealed bids for the silver figure will be accepted from people unable to attend; they should reach the Institute's Manchester office (90 Deansgate, Manchester 3) before 5 o'clock on Monday, and it is suggested that realistic offers should begin at least twice the cost of the materials and casting, which were £3,000

Theatres

WATFORD PALACE—*Out on the Lawn*. Good company in a neo-Chekhovian comedy that runs out of steam. Reviewed Wednesday.

ROYAL COURT — *Stripwell*. Admirable new play by Howard Barker that incorporates some shrewd glances at the nature of justice in a slightly tongue-in-cheek romantic drama about the private life of a judge. Fine playing by Michael Hordern and Constance Cummings. Opened Tuesday.

BELGRADE, Coventry — *Dirty Giant*. Disappointing rock musical about the rock music industry. Reviewed Friday.

HER MAJESTY'S—*Thomas and the King*. The attempt to make a musical out of the relationship of Becket and Henry II, distantly based on Anouilh, is predictably an almost total failure. Opened Thursday.

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SAVINGS OFFERS

Council manual workers likely to accept pay deal

BY DAVID BRINDLE, LABOUR STAFF

ALMOST 900,000 local government manual workers in England and Wales are expected to accept a 10-month pay deal worth £4 a week to all grades.

The improved offer was made to union leaders yesterday by council employers facing strikes by teachers and anxious to avert disruption on a second front.

The unions, which had threatened industrial action from next week and had begun to co-ordinate action with teachers, described the offer as respectable and said it would be put to members without any recommendation.

The £4 across-the-board rise would be worth between 4.7 per cent and 5.7 per cent to manual workers, whose basic rates range from £70.30 to £85.25 for a 39-hour week. The rise would be backdated to November 4 and would run to September 1.

The impact of the increase in percentage terms would follow closely last year's award at arbitration to local government white-collar workers, who received from 4.6 per cent to 5.6 per cent for the lower-paid.

Leaders of the manual workers had argued for a deal which would benefit the lower-paid and get away from the November settlement date. They said their position at the head of the pay queue meant they were always leapfrogged by workers striking better deals.

However, the employers until yesterday had refused to move on the settlement date and had offered a £3.70 increase for all grades.

Union negotiators believe that the prospect of teachers and manual workers combining action forced the employers to move. Conservative-controlled shire councils are thought to have feared that further disruption would cause a backlash at local elections in May.

The unions accept, however, that the employers are sympathethic on the problem of low pay among manual workers.

Mr John Edmonds, the unions' chief negotiator, said he was satisfied that the offer met their objectives. The move to a September settlement would be helpful in that the manual workers could come at the end of one pay round, rather than at the start of the next.

He said: "In many ways it is a respectable deal, but it leaves a lot of unfinished business — even if our members accept it."

Mr Brian Rusbridge, employers' side secretary of both the manual workers' negotiating committee and the teachers' committee, warned that the teachers could not expect a percentage rise similar to that offered to the manual workers. The teachers have rejected 4 per cent and arbitration.

Joseph 'inflaming NUT'

BY OUR LABOUR STAFF

SIR KEITH JOSEPH, Education Secretary, was accused last night of "pouring more and mor eoil on the flames" of the teachers' pay dispute.

The charge came from Mr Fred Jarvis, general secretary of the National Union of Teachers, after Sir Keith warned in a BBC radio interview that teachers' strike action might be jeopardising their chances of getting any money at all from the Government for a new contract.

The minister also sai dthe 7 or 7.5 per cent suggested by the employers as the reward for accepting a new contract would be payable only over a long period. "I think two years would be a bit optimistic."

Meanwhile, the Minister was also exchanging tart words over the teachers' dispute with Mr Giles Radice, Labour's education spokesman. He told Mr Radice that his earlier letter accusing Sir Keith of scuppering hopes of a settlement was "quite preposterous."

In other developments yesterday, the unions responded to the employers' offer of conciliation with a seven-point list of demands for clarification.

Philip Bassett catalogues the rapid crumbling of the miners' strike

A day of reckoning at the pitheads

IN THE END the hard areas cracked. After a year when the miners stood solid, in Yorkshire and particularly in South Wales, this week the trickle of strikers returning to work turned into a flood.

Yesterday's extraordinary figures—1,656 back on a *Friday*, according to the National Coal Board—simply capped an extraordinary week in which more than 5 per cent of the National Union of Mineworkers' entire membership, as listed by the board, came back to work.

The NCB figures for Friday bring the number of NUM members working to more than 96,000, or about 52 per cent of the total NCB-listed membership of the union of 186,064.

This highest Friday figure for the 12 months of the strike confirmed the trend of the week. In Yorkshire, as many as 1,014 miners went back yesterday—by far the highest Friday figure, and indeed the second-highest daily figure the area has yet seen (the highest was last Monday, when 1,162 returned).

The Yorkshire area NCB said miners in the area had clearly not even bothered to wait for the outcome of their own area council decision yesterday, or of the union's national delegate conference in London tomorrow.

"They have made up their minds, and are cutting their losses."

Sharlston colliery, near Wakefield, registered the biggest single return, with 233 going in for the first time, bringing the total working at the pit to 458, or 46 per cent of its workforce.

At Allerton Bywater, near Castleford, 150 turned up, taking the total to 553—43 per cent. Working miners are now in a majority at Kellingley, Britain's biggest pit, after the return yesterday of 64 miners who swelled numbers to 989, or 52 per cent of the workforce.

According to NCB figures—disputed by the NUM—the total now working in Yorkshire accounts for 23 per cent of the area's NUM members.

In South Wales, a further 87 miners went back yesterday, bringing the proportion now working there to 8 per cent. This is still the lowest for any coalfield—but two weeks ago the proportion was less than 2 per cent.

In the north-east, just under 49 per cent of NUM members are now back at work, including the 216 who returned yesterday—made up of 52 at Wearmouth colliery, 43 at Eppleton and 36 at Dawdon.

Scotland is also close to the half-way mark, says the NCB, with 106 miners returning there yesterday, to bring the total working to 45.75 per cent.

Figures for other NCB areas, according to the board, were: North Derbyshire, 119 back yesterday (68 per cent working); Nottinghamshire, 11 back (96 per cent); Western area, 78 back (21 per cent); and South Midlands, three back (81 per cent).

Areas such as Notts and South Midlands show very little movement day by day; most miners there have been back at work for months.

figures confirm the pattern of this week — the remarkable return to work in previously hard-line areas. Yorkshire and South Wales have led the way.

Yorkshire has seen 8 per cent of its entire NUM membership return this week — more in the past five days than in the previous five weeks.

In South Wales, more than two-thirds of those now back at work returned this week.

The pressure of the numbers returning forced NUM areas yesterday to recommend a return to work without an agreement, from as early as next week. Whether tomorrow's national delegate conference adopts that strategy — and the likelihod is that it will — it seems certain that the hard areas will do more than crack: the flood is set to turn into a final torrent.

NGA faces a clash over jobs policy

By David Goodhart, Labour Staff

THE National Graphical Association could face another battle with the Government's employment legislation after the granting yesterday of an injunction against the union to the Wolverhampton Express and Star.

In a hearing in chambers at Birmingham Crown Court, Mr Justice Hodgson granted the injunction against the NGA and Mr Tom Lowe, its West Midlands branch secretary, because of the union's failure to hold a ballot before instructing members not to accept direct input in the paper's advertising department.

More than 70 NGA members at the Express and Star have been suspended for a week—with a similar number at the Shropshire Star—in the row over new technology and collective bargaining rights.

Although all editions of both papers are appearing, the management has had to cut back heavily on page changes

The judge gave the NGA until Friday to stop "inciting" members to breach their contracts of employment at the Express and Star, the Shropshire Star, and Precision Engineering Ltd.

Pit strike may lead to 6% rise in electricity prices'

BY OUR LABOUR STAFF

ELECTRICITY PRICES may rise by about 6 per cent to help cover the 1985-86 knock-on costs of the miners' strike, according to the City stockbrokers Simon and Coates, whose latest estimate of the strike's economic impact puts its cost to the Government at more than £3bn.

Mr Gavyn Davies, the stockbrokers' chief economist, says in his report that full recovery of the costs incurred would not be practicable through electricity prices. To recoup the full accounting costs for the electricity industry alone would require a price increase of at least 20 per cent, which would add 0.6 per cent to this year's retail price index.

But a surcharge to cover the "knock-on" costs "seems possible,' Mr Davies says.

Costs which will be incurred when the strike ends, the report says, total £600m-£700m, made up of repairs to damaged pits (£100m-£200m); a catch-up on the industry's investment programme (£100m); and rebuilding coal stocks, by perhaps 8m-10m tonnes (£400m).

The report lists the main components in the Government's £3.025bn cumulative cash cost of the strike as electricity industry, £1,199m; coal industry, £1,091m; lost income tax, £290m; net police costs, £198m; British Steel, £198m; and social security payments, £49m.

Gross accounting costs, the report says, would be higher, instancing the recently-leaked electricity industry estimate of costs of £2bn. Mr Davies says this is in line with his estimate, since the industry has saved £0.7bn by de-stocking coal.

It has burned about £3.45n extra oil and gas in the strike, but saved about £1.5bn from its reduced coal burn. Weekly electricity costs peaked at £50-£65m in December-January, the report says, and are falling sharply.

For the coal industry, the report says that it has now lost well over 70m tonnes of output, worth about £3.3bn, but saved at least £2.2bn in reduced wages and other costs. Weekly losses may have risen last month to about £40m.

More wages are being paid to returning miners, but output has not yet increased correspondingly.

Finally, the report says that the total loss to GNP is about 2 per cent, while the balance of payments has suffered by more than £2.5bn.

Councils win school meals wage cut case

By Raymond Hughes, Law Courts Correspondent

THERE WAS "no shred of evidence" that Hertfordshire and East Sussex county councils acted unreasonably when they sacked school meals staff and offered them re-engagement on worse terms than those in a national agreement, Sir John Donaldson, the Master of the Rolls, said in the Court of Appeal yesterday.

The councils, whose spending has been limited by the Government, had been faced with the need to make difficult and disagreeable decisions. It was clear they had examined the problem in detail, Sir John said.

He was giving his reasons for dismissing appeals by the National Union of Public Employees against the High Court's refusal last April to hold that the councils had exceeded their legal powers.

NUPE had argued that the councils had not taken enough account of the adverse effects of not sticking to national agreements. Sir John agreed.

هكذا من الأحول

هكذا من الأصل

How to spend it by Lucia van der Post

Nothing but The Best

...t so long ago, and yet ...us a lifetime ago, that ...itle pieces of ephemera ...what all the rich young ...were wearing. A plastic ... by Pablo and Delia, or a ... bag from the right ...le, had a chic that tran...d wealth. Fashions and ... changed by the hour ...body would give a thank...r anything designed to ...e ever.

...imes are harder now and ...ve can all of us least ...s the pretty little bauble ...ves some pleasure to-day ...out-of-date or falls apart ...ow. *Nothing is cheap* ...ger so the ill-made chair ... poorly-finished coat are ...l of bargain at all. Real... and worth are still the ...investment and this ...to be true whether you ...t to clothes or jewels or ...re or cars.

...gina Howell, writing in ...w book In Vogue* sums ..."Simplicity and quality ... become devalued. . . . ...vestment is really some...that continues to give ...e long after the novelty ... and that means beauti...h, faultless cutting and ... and great discernment ... part of the designer ...e buyer."

...hough at first sight it ... a *gesture of almost* ... optimism that two of ...at names associated with ... *and quality should* ...this moment in time to ... their operations in ... *they may yet be proved* ...ight. In hard times least ...an we afford the second-...

...er, at 175-176 New Bond ... are celebrating the ...*ry of their founder in* ...efold way, which they rather whimsically describe as representing the past, the *present and the future*.

First, they are holding an exhibition of some of the great Cartier works of art of the past. None of these is for sale, they have either been lent by their owners or form part of Cartier's own collection, but they are a dazzling, not to say sumptuous, display of the beauty that can be achieved when every detail of every piece has been made as finely as *each specialist knows how*. Whether it is the carving, the enamelling, the cutting, the *marquetry, the standard of* skills displayed is breathtaking.

Representing to-day is the collection of precious jewellery which though modern has been designed strictly in the Cartier tradition. They try to design their jewellery to give the precious stones the lightest, most delicate, least obtrusive of settings. Though they feel the setting is an intrinsic part of the design it *shouldn't detract* from the stone itself and to further enhance the stones they developed a method of cutting the stones to give them more brilliance than had ever been achieved before.

Cartier feels that precious jewellery is, at the moment, a better investment prospect than almost anything else. Once people bought jewellery *because it took their fancy*, now they need to be sure they can get their money back and *more should they need to sell*. But whereas 20 years ago a one-carat perfect diamond cost *£100 to-day it costs £5,900*, and though gold has fallen in price now precious stones have not.

As the director of the Haute-Joaillerie section said to me, "Nothing else provides such immense value wrapped up in so small a package. You can't take real estate or yachts or Rembrandts with you in a hurry but you can take a 20-carat diamond." When your company has seen their clients through the vicissitudes of this century, when you've observed the kingdoms, crowns and empires lost and won, you need to think of things like that.

To represent the future Cartier are opening a boutique called Les Must de Cartier which will have its own entrance in Albemarle Street. Here there will be no drop in standards, no falling-off from the rigid quality the name imposes but there will be items that almost everybody can afford, the little things that carry the ineffable Cartier chic —a crocodile credit-card holder, a lighter, a pen and so on.

It is from the Albemarle entrance that they hope to capture a whole new young clientele and initiate them into the Cartier way of life.

Further up Bond Street on the corner where the old Time-Life building used to be, Mrs. Jacqueline Green has opened a newer and larger Hermès shop. "Of course there are risks," she says, "but we believe that there is always a market for the best." Whereas the Jermyn Street shop was a small boutique, the new shop in Bond Street will be more like the Paris shop with room to browse and select.

It too is a haven for the good things in life that never date, that are made in classically simple styles that are internationally recognised for what they are.

Anybody who doubts that true quality and true simplicity of design never looks out of date should take a look at some of the designs photographed here—the Cartier watch, for instance, was created by Louis Cartier during the First World War and it is certainly the thing I most wanted from the entire Cartier collection, whilst the classic Hermès bag on the right has been a best-seller for Hermes ever since it was first produced, 5-8 years ago, making it a mere chicken compared with the "Kelly" bag which has been going for some 25 years.

Still backing the theme that supreme quality is what is going to see stores through the tough times is Waring and Gillow. They, too, have done themselves proud, confidently launching last week one of the lushest, most sumptuous groups of furniture that I have ever seen outside the realms of the antique shops.

Part of the reason of the highness of the prices is that the furniture is American in origin, made by the Drexel Heritage group in North Carolina.

But the major part of the reason is that they are made to the very highest of standards — John Cussins, managing-director of Waring and Gillow, was waxing quite lyrical over the quality of the springs, the upholstery, the wood, the finish and indeed even to the eye unable to see the interior delights, the finish does look superb.

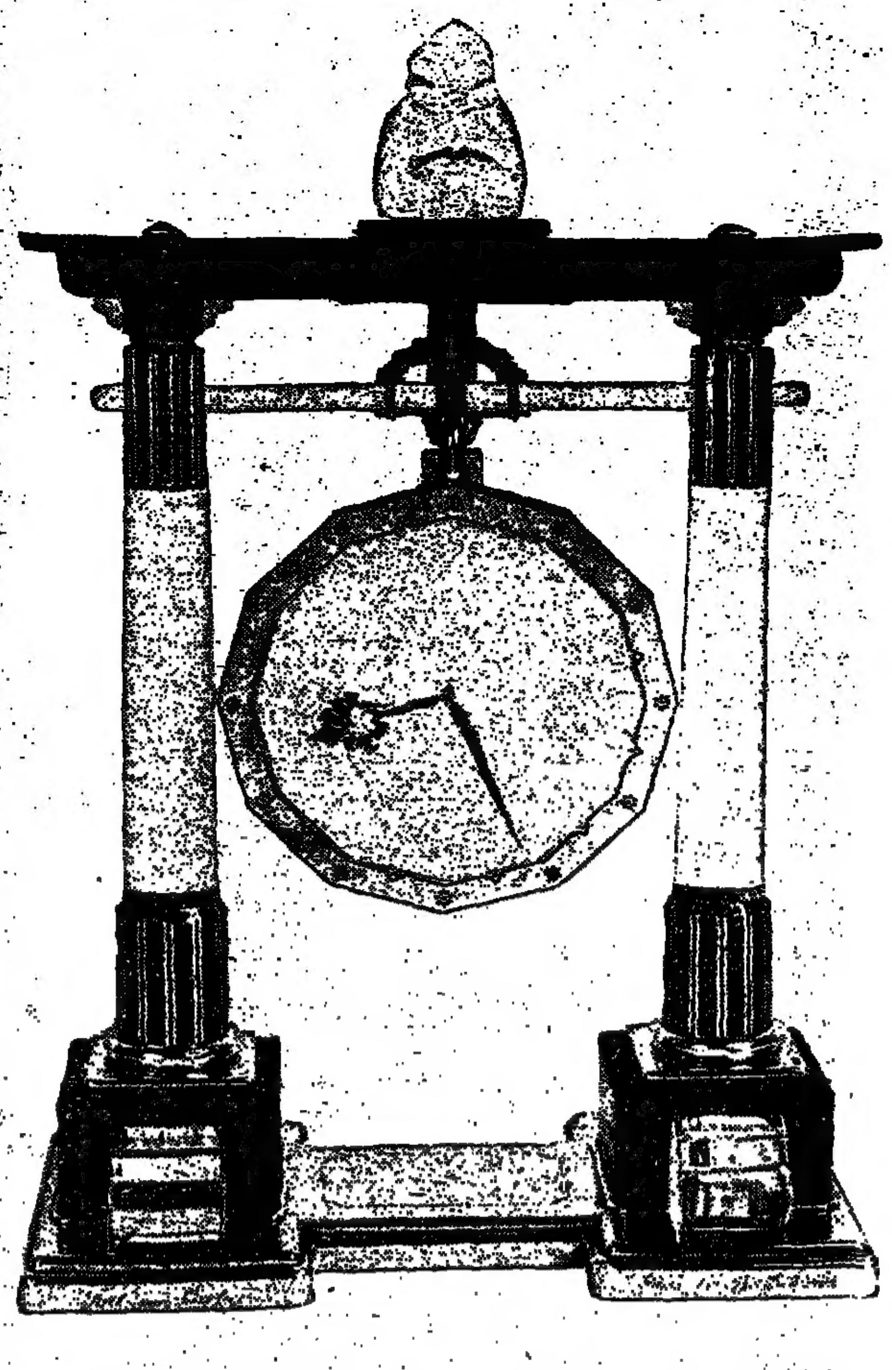
If I have reservations of my own it is because such quality, such skills, such materials have been lavished on styles that are to say the least derivative and, to say the worst, are a mish-mash of an American's eye view of Italian Renaissance, Chinoisserie, French Provincial, American Colonial and the rest.

And yet I have no doubt that they fill a vital need, which is as much a reflection on the state of our industry as on the quality of the American designs. They do offer conspicuous comfort, a definite "richness" and gentleness of style as well as providing a half-way house between the rigid modernity of our most avant-garde designs and slavish "repro."

For those who like this lusher, softer style of furniture there has been little about in recent years. Be warned, though, that some of the prices are extremely high but others, by contrast, seem relatively reasonable.

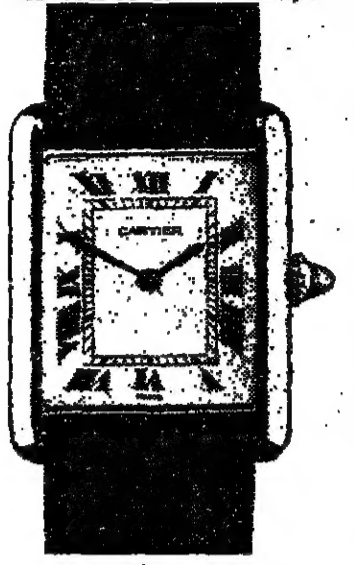
To give you some idea of what they are offering see the bookcase or curio cabinet photographed far left. It is produced in a dark umber finish with adjustable shelves and a simulated gold leaf back panel and is £572.

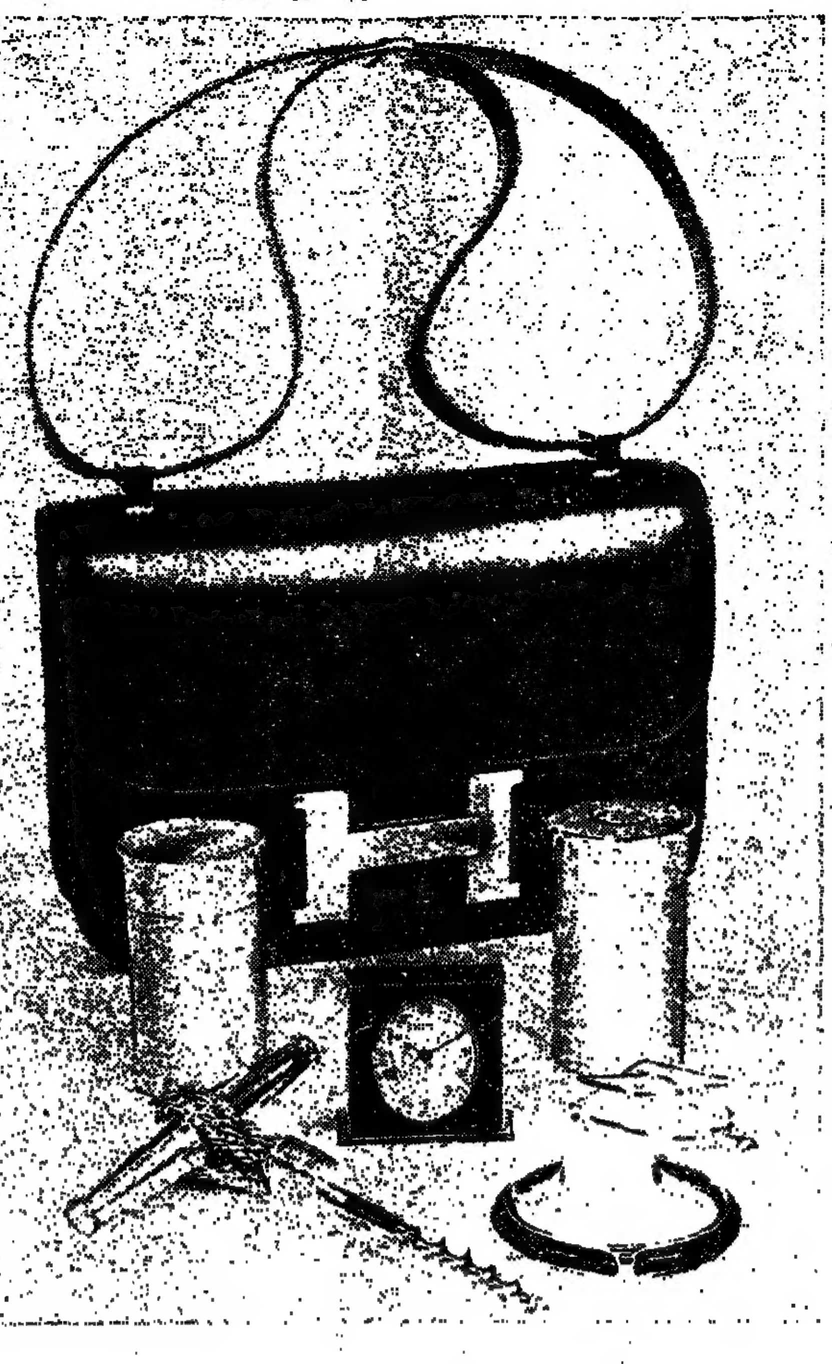
* *In Vogue is by Georgina Howell, to be published on October 30 by Allen Lane, and it costs £9 75 until January 31, 1976, when it will cost £12.*



Left: A typical example of the beautiful designs in the Cartier Collection. This particular clock is one of a group that houses a "pendeulette mysterieuse"—that is, the hands seem suspended in space and the inner-workings are nowhere to be seen.

Below:
The classic Cartier watch, the *epitome of simplicity, elegance* and status. It has adorned some famous wrists including Winston Churchill's, Pompidou's and the Duchess of Windsor's. First created by Louis Cartier during the First World War as a tribute to the brave U.S. tank troops for their part in the liberation of Paris. The smooth profile of the tanks was reproduced in the design of the watch. It is in 18 carat gold with white enamel face with Roman numerals and sword-shaped *hands. The winder is set with* sapphires. The 18 carat buckle fastener is a Cartier hallmark. *The strap can be crocodile*, leather or whatever else you like. It can be automatic or manual-winding and it comes with a lifetime guarantee. Around £600 from the new Les Must de Cartier Boutique.





At the back is one of the most famous of all the classic Hermès bags. It is called "Constance" (at Hermès nothing is anonymous), is hand-made in the Paris workshops. Made of calf leather, the clasp is gilt and the colour of the calf may be black, green, brown, red or the famous wine red Hermès colour "Acajou." It is £300 and for £360 you could have the same design in lizard while in crocodile it would be £759.

The salt and pepper set is called "Cartouche" and they are of gilt and silver plate, £52.50 the pair. There is also *a matching set of four smaller* cartridge shaped canisters which could be used for cigarettes, matches or toothpicks. £72.50.

The "Tokyo" bracelet is not a classic Hermès design but it has the usual Hermès hall*marks of being chunky and* simple. Made of gilt and Moroccan leather in black, *brown, green or red*, £29.50 each.

The "Infanta" clock is gilt and tortoiseshell or gilt and malachite and may be green, red, blue or black. £108.

The money clip (called "Eperon") is typical of Hermès in its horsey mood. It is made of solid silver and is £34.50.

The "Cabillot" corkscrew is of silver plate and is £36.

...a in New Lanark, Scot...s gone to considerable ... collect and compile into ...ctive brochure, the work ...men from the Shetlands ...orders.

... crafts, traditionally Scot...e glasswork, silvercraft, ... paperweights, pewter, ...-all products of the ... quality both in design ...ufacture.

...ilvercraft and glassware ...ightful designs reflecting ...terious Celtic and Pictish ... of the Scots. One ..., the Celtic Princess's ...—pictured above—has a ...ng intertwining design ...sing eternal life. It is ...nately 5" across, hall... silver, and beautifully ... *a deep oval amethyst or* Cairngorm stone. Attrac...boxed, it is available ...*r made up into a full set* ...acelet, ring and earrings. ...e and other traditional ...n and Shetland designs ...reated in silver bracelets, ...s, earrings, pendants, ...s and collectors' items. ...ilver piece deserving ... mention is the Arctic ...rooch, shown above, and ...ue at just £4.98.

...ness engraved glass is ... another line which is ...e, both for sheer natural ... and durability. Tradi...Scottish "dram" glasses ...er pieces are etched with ...igly delicate designs. The ...as Goblet, depicting "A ...ge in a Pear Tree" is a ...cent gift for the dis...ting collector.

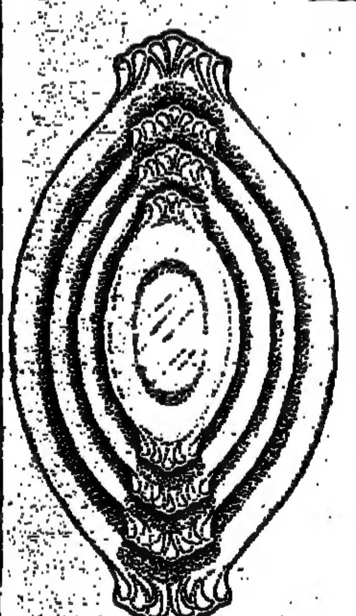
...easing aspect of the bro...is how modestly priced ...uch as books—blend so ...th more specialised items. ...r showing heavy pewter ...blets, simple paper knives ...ed wild life prints—it is ... contrast to those horrid ... tartan pipers, once the ...age of Scotland!

...l, this is a select collec...owing some of the finest ...anship from North of the ... You are advised to write ...r your free colour Christ...ochure to Scotland Direct ...ept. FT2, The Counting ... New Lanark, ML11 7BR, ...d.

Now for our Readers' Recipes

The booklet with the 60 best recipes culled from the 60p menu competition we ran earlier in the year is now ready. From all the contributions we have selected the 20 best starters, 20 best main courses and 20 best puddings or savouries. We have also included Philippa Davenport's own suggestion for the complete 60p per person menu plus the three complete winning entries. Anybody interested in good eating on a budget should send postal order or cheque for 45p to "Recipes," Financial Times, Bracken House, Cannon Street, London, E.C.4.

Kitchen talk



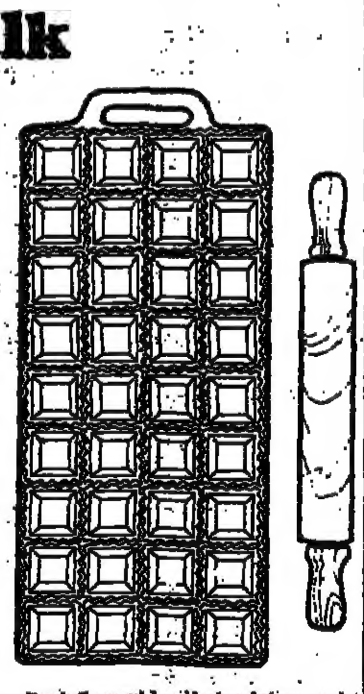
Four fire-proof porcelain dishes

● For ardent cooks Elizabeth David Ltd.'s irregular sales are a good way of buying sound, useful cookware of all sorts at much reduced prices. As any visitor to the shop at 46, Bourne Street, London, S.W.1 will know, the shop is full of just the sort of honest utensils that Elizabeth David, in her own books, suggests should be used in the cooking and preparation of food. Even though she now no longer is connected with the shop the philosophy behind it seems unchanged. There you will find Le Creuset saucepans and cocotte dishes of all sizes, traditional earthenware dishes from France, porcelain ramekins, gratin dishes, skillets and a whole host of the more difficult-to-track down items like dariole *moulds, charlotte tins*, and so on.

There is currently a sale on *from now until* Saturday October 25 (9.30 a.m. to 5.30 p.m.) and much of the stock is reduced by 30 per cent. while everything else is reduced by 10 per cent.

To give some examples of the reductions, 3 pint white souffle dishes are £1.00 (reduced from £3.00) while a Sabatier boning knife is £1.70 (reduced from £2.28). Small earthenware baking dishes/soup bowls are 75p (reduced from £1.10p) while the gratin dishes, made from fireproof white porcelain, are a set of five (though they can be bought singly) varying in price from 62p (reduced from 94p) for the smallest, 8 inches long, to £3.70 (reduced from £5.56) for the largest, 15½ inches long.

Unfortunately Elizabeth David Limited, say they cannot do mail order on sale items.



Ravioli mould and aluminium and beechwood rolling pin

Hand-carved sycamore shortbread print

● Regular readers of this *column will certainly know* about David Mellor's shop at 4, Sloane Square, London, SW1, and those out of London may well have been infuriated at seeing such desirable things so out of reach. However, David Mellor has now produced a little booklet called David Mellor Kitchen Guide from which any of the myriad kitchen aids and accessories can be ordered.

The guide costs 25p (plus 10p p+p) but it really would be useful to *anybody who* takes cooking at all seriously. Every single thing he offers is illustrated with simple line drawings and no useful kitchen tool is too small for him to be prepared to stock it and sell it. From paring knives and slices to such recherché items as noodle machines and ravioli cutters, every tool the serious cook needs is there. There are egg piercers at 29p, wooden spatulas at 28p, a boxwood wheel at 15p, horn salt and mustard spoons at 56p and 39p respectively (and several readers have asked where they *could find these as they are* becoming more and more difficult to come by). In the more expensive bracket there are ash salad bowls at £10.37, a set of Avery weights at £46.71 and a noodle-making machine at £26.19.

I can't think of a more convenient way of buying the tiny necessities, the whisks, the knives, the draining spoons, the flour dredgers and I urge any reader who has had trouble finding this sort of thing to get one of the guides now.

Property and housing

Renting out your home

BY JOE RENNISON

THERE HAS been a great deal of uncertainty, particularly since the passing of the 1974 Rent Act, about the position of the owner of a property who lets it while he is temporarily away. The owner, posted abroad or to another part of Britain by his employer, may prefer to rent a temporary place himself and let his own house so as to make up at least some of the difference in cost. In more sensible days this might have seemed a perfectly satisfactory solution. But it is no longer so. The basic message of the 1974 Housing Act and Rents and Subsidies Act 1975 is that renting is a social evil if it is done on a private basis.

Extreme care

Renting can hardly lead to a great social evil when it is a one-family dwelling let out to someone else for a restricted period of time. Yet it would seem so. Even if the Acts do not say so specifically, the cards are now stacked against the non-professional, short-term landlord as to make it hardly worth his while. Far better to try to sell to someone else or to the local authority or to leave the house and accept the risk of squatters. The result of recent legislation could well be that the first or second of these choices is the only one left to someone who has to move away from his home for however short a time, for we have now reached the stage where the man who wants to let his house must take the most extreme care in doing so unless he should find that he has lost the use of it permanently no matter how good his claim to the freehold.

It would seem that someone in authority has at last developed a conscience about this situation. The Department of the Environment has produced a pamphlet setting out in the simplest terms some guidelines for those who may be thinking of letting their home. The title is curious. It is: "Letting your own home? How you can let your own home or your retirement home and still be certain that you can get it back." This title itself implies some kind of concession by a benevolent Government.

In principle tenants of non-resident landlords have security of tenure under the Rent Acts. The courts will grant possession orders only if certain criteria apply and if they consider that it is reasonable to make the order. The pamphlet sets out the very careful procedures the owner must observe if he is to be able to claim back his house. An agreement between the two parties must be drawn up carefully. At the beginning of the tenancy the landlord must inform the tenant when the property will be recovered, and he must do this each time the tenancy is renewed. Failure to do so could lead to the tenant having permanent occupation. The court may still be prevailed on to grant an order but "the only way in which you can be certain that a court order must be granted is by serving the notices at the right time."

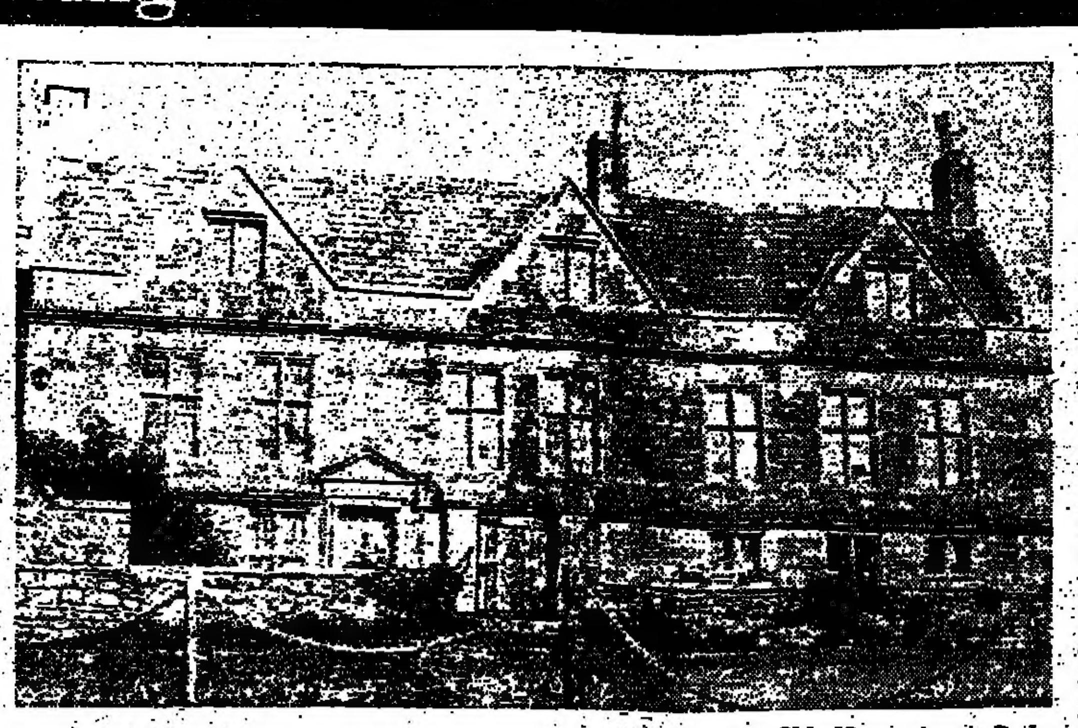
This pamphlet does not claim to be an authoritative guide to the legal aspects of the problem and it advises readers to seek the advice of a lawyer. Well it might: the pitfalls are legion.

Legal delays

The pamphlet talks about the granting of possession orders but it does not describe the bother and discomfort that may be incurred by owners waiting for the law to take its majestic course. Even if the owner has obeyed all the rules and given his tenant all the information he should have, it does not mean that he can expect preferential treatment.

If, at the end of a seemingly amicable agreement, the tenant decides to dig in his heels, there is little the owner can do about it directly. It is against the law to evict a tenant without a court order and this can take a long time. It is not unknown for at least six months to elapse from the end of a tenancy until the owner obtains the right to move in. Even then it may take the bailiffs to effect the move. And this is not always successful.

If the tenant should then decide to take on the role of a squatter the position is even more uncertain. The law about this is only now being slowly sorted out. The owner who, say, has returned from abroad could very well be paying hotel bills for his family while he is waiting. It surely is time that the owner, who has obeyed the rules in all respects, can expect to receive from the courts an immediate possession order to allow him to return to his home and gather up the threads of civilised existence again.



The Old Manor is at Rudge, near Frome, Somerset. Of seventeenth century origin it is listed as Grade 2 of architectural and historical interest. Set in two acres the house has excellent views over the Somerset countryside. Part of the charm could lie in the fact that the current rates payable are £123 a year. The price for the freehold is £47,000. Agents: Pearsons, Bath Street, Frome.

Conversion factors

TWO WEEKS ago when reviewing a book on loft conversions I promised to return to the subject with particular reference to the question of how a householder can best select the right man for the job and what kind of assurance he can expect of a good job being done. In the past it seems to have been very much a hit and miss affair although matters do seem to be improving.

There are basically three ways of getting the loft conversion and or extention done. The first is to ask a local builder to take on the work having first asked an architect to draw up a plan. This can lead to an unsatisfactory outcome as some architects take on this kind of work as a fill-in between more important contracts, though the risk has presumably diminished now that the profession as a whole finds itself short of any kind of work. But generally there is little incentive for an architect to take time and trouble over a contract on which he can expect a 12 per cent. commission for conversion or extension work which is unlikely to cost more than £4,000 or £5,000.

For the builder, too, there is the continuing question of escalating costs. The extras that are not budgeted for can come to quite a sizeable bill, and the builder might not be experienced in this kind of work. Moreover, some guarantee of good work is virtually impossible to obtain. No one will insure the client against the builder not doing a good job. The quality of his materials might be quantifiable but the quality of the finish is not.

The second choice is to go to the loft conversion specialist. This too can have its drawbacks. Some are good and some are bad. Even the specialists who are generally considered good can produce an occasional very bad job. It may often depend on how far in or out of their usual territory they are operating. If they are using sub-contracted labour, then the customer who has seen and admired a very good job on one house may find that he ends up with a botched job on his own.

Another danger with the "specialists" is that they will specialise far too narrowly. They may have a set of specifications they work to and will be unbending in altering them. The customer looking at the specifications may think that will look fine in his house. When they turn out to be not quite the right thing for the building, the specialist can simply say that this is what the customer ordered. Too often the specialist will use the factory built approach—to keep down his costs—without fully taking into account the individual building to be converted.

Another danger is that those calling themselves loft conversion specialists will do the loft and nothing else. It is often difficult to make them stray from their speciality and build in an extra cupboard where it might be feasible. They also tend to use the salesman technique which can be [...] but not really right [...] customer.

They will usually [...] kind of guarantee of [...] done. But this can be [...] edged sword. The cu[...] accepting the guaran[...] find himself signing [...] claim in common law [...] have against the cont[...]

Specialised jobs

The third way is [...] competent local builde[...] specialise in loft or [...] work and who is also [...] carrying out an[...] specialised jobs that [...] to make the work co[...] present the safest wa[...] this is to hear of t[...] from a friend an[...] personal recommenda[...] customer in this case [...] that the builder giv[...] 10 per cent. retenti[...] about six months as a [...] of good work done. [...] normal practice in mo[...] work.

What is needed for [...] work is some form of [...] along the lines of th[...] House Building Com[...] up scheme on new h[...] is, unfortunately, im[...] on conversion work. [...] say that a crack app[...] wall far removed fro[...] version work can be [...] to that work or to th[...] age on an old ho[...] volume of litigation [...] fill the courts for a [...]

Yet efforts are bei[...] give the customer so[...] confidence. The aut[...] book reviewed two [...] has started what is [...] Loft Conversion a[...] Extension Advisory [...] The idea is to compi[...] approved builders a[...] country who are ab[...] and good at this kin[...] It is hoped by the [...] year to have a list [...] three builders in [...] authority area who c[...] be Bureau members.

The success of the [...] depend on the Burea[...] accepted as a semi-o[...] It must be able to kee[...] up to scratch by de[...] complaints effectively [...] tion against individu[...] is to have their nam[...] from the list of re[...] converters. Once [...] operational, it could [...] mendous help. The[...] already working in c[...] with the Home Im[...] Centres set up by th[...] Federation of Bui[...] Plumbers Merchants [...]

CAREERS AND EDUCATION

Oh dear! Well, back to the examining board

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

PEOPLE have begun to inquire. What they are asking about is an article in this column six months ago. That article said I had worked out that Marcus, my eldest son, was resigned to failing his GCE Advanced-level examinations because he felt that passing required him "to concentrate for five or six hours a day" on his books—a degree of sustained effort which, being an extrovert, he found beyond him. Discussion of this, however, led him to see that what was really required was not work-for-work's sake, but only work-for-passing-the-exams sake. So he drew up a schedule by which he found that in less than three hours a day he could cover the necessary reading twice over even in the few weeks then remaining before the examinations.

There is no prize for guessing the question which is now being asked.

And there is no sense in my beating about the bush ... because on this autumn Saturday readers will have much to do ... possibly in their gardens ... perhaps burning leaves like those rather cataleptic girls in the painting by, I think, Millais ... who also painted a landscape called Chill October ... Yes, Marcus failed the exam in both his subjects.

But the earlier discussion I had with him did have some value. It was that on my first meeting with him after I heard the bad news, there were no conventional phrases about hard luck, nor any misgivings about his being insufficiently bright to pass. We instantly agreed that he had failed through not doing enough of the right work. This suggested that he now had a better idea of what was needed. Provided he would guarantee to do the necessary, and wanted to try again, he—being only just 18—could stay on at school and do so. He wanted to.

Very soon after that meeting, it dawned on me that having written the earlier article, I would some day have to write this one: a realisation which may eventually have its uses. This is because whenever I contemplated the awfulness of having obliged myself to write about my own son's failure, my mind conjured up an imaginary reader somewhere out there snapping at me: "What kind of education correspondent are you, if your son can't pass his A-levels?"

That is an apt question. An educational observer should know more than the average man about the workings of the exam system. And there seems to be nothing wrong about putting what little I have gleaned at my son's disposal, provided that I make it available to other candidates by stating it openly here. Therefore:

In a way, my first observation is too late for Marcus's use because it concerns GCE Ordinary levels. At that stage, the evidence suggests some subjects are considerably easier to pass (by which I mean obtain a C grade or higher) than others. It seems that for a child in my eldest son's bracket—at least reasonably bright but not noticeably academically motivated and with no apparent facility for mathematics—the five best-chance "popular" subjects, in ascending order of difficulty, are: art, English language, English literature, biology and geography. The next two are mathematics and history, with the remaining three of the nine popular choices: French, physics and chemistry, being a good deal harder. Indeed, a study made in one GCE examining board has suggested that, notionally, if hardness had been statistically standardised grade-for-grade on its English language examination, the pass rate in French, physics and chemistry might well have risen by at least 10 per cent.

Easier

No similarly distinct information about average chances is available to me on GCE Advanced levels. One thing which also seems to apply here, however, is the practice of awarding grades above the pass mark in the mass-entry subjects primarily by listing the candidates in order of the marks they receive on the exam papers and then ruling lines at certain percentage points down the list—the grade A cut-off in Advanced levels being reputedly 10 per cent. of the way down, the next 15 per cent. getting grade B, the next 10 a C, the next 15 a D, and the next 20 an E.

Although adjustments are doubtless later made among the relatively few candidates around the pre-determined percentage borderlines, this need not alter the basic character of this statistical "norm-referenced" method of grading. So, since in the popular subjects the A-level candidates are usually those who have passed them at O-level, it seems more than possible that the comparative difficulty of Advanced-level subjects is not much different from that at the earlier stage.

From this I would infer that Marcus, who is re-sitting history and religious knowledge and sitting English literature for the first time, is facing one relatively easy subject and two of moderate difficulty (religious knowledge, as far as I can tell, ranks roughly with history, geography and biology).

Be warned here, however, about the erroneous practice of pushing failed candidates from the summer A-levels automatically into the winter ones in the belief that the latter are easier. The examining boards, not being daft, know that if they applied the same norm-referenced grading to both sets of exams, the fact that the winter candidates were predominantly the summer's failures would mean they were handing out passes on a plate. So they raise the later set's hurdles, sharply.

Marcus, certainly, will not be sitting this winter. He will have enough to do in training for next summer. The scheduled reading and revision must be stepped up because I hear that generally, in his type of subject, the questions are submitted well before the exam to a meeting of the markers who decide on a list of points which would be made in a notionally perfect answer. They then agree on how many of those points must be made to deserve the top marks for "knowledge" — and the marks available for [...] apparently well outn[...] marks available for [...] such as style and [...] originality. But then [...] thing still more basi[...] son needs to do.

First, I have it [...] authority that there i[...] correlation between [...] examinations and the [...] a candidate's writing [...] sentation. So Marcu[...] task of transforming [...] writing from someth[...] would probably appe[...] a life-dedicated stude[...] tracks of drunken s[...] something which an [...] overloaded marker [...] avoid understanding a[...]

Spelling

Second, partly be[...] primary school-favou[...] gressive" teaching m[...] did not have the skil[...] them effectively, his [...] wayward, which is [...] known waster of ma[...] he also needs to bui[...] appropriate stock of [...] spelt words for his su[...]

Both of the above w[...] limits on the length an[...] lary of the answers he [...] the exam room. [...] impression is that mo[...] can be saved by cl[...] orthodox spelling tha[...] gained by polysyllal[...] length.

The only other need [...] now is for him to lis[...] fully and take notes d[...] fools'-guide-to-examinat[...] cedure lecture given [...] season by his school. [...] dreadful day itself, c[...] can all too easily flust[...] selves out of follow[...] simplest instructions, a[...] a grade has fallen [...] sequence.

"It seems incredi[...] headmaster said the o[...] "but one of our brigh[...] this year came out of [...] weeping and complain[...] the examiners had not [...] right number of ques[...] the paper. We discove[...] it hadn't occurred to [...] the missing two questio[...] be printed on the bac[...] sheet, even though th[...] was clearly marked PTO[...]

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هكذا من الأصل

Collecting wisely

The man who drew cats

BY JANET MARSH

COLLECTORS' markets can be very sensitive, as is demonstrated by the changing prices of original work by Louis Wain, the man whose drawings of cats altered the whole status of the animal in English hearts and English homes.

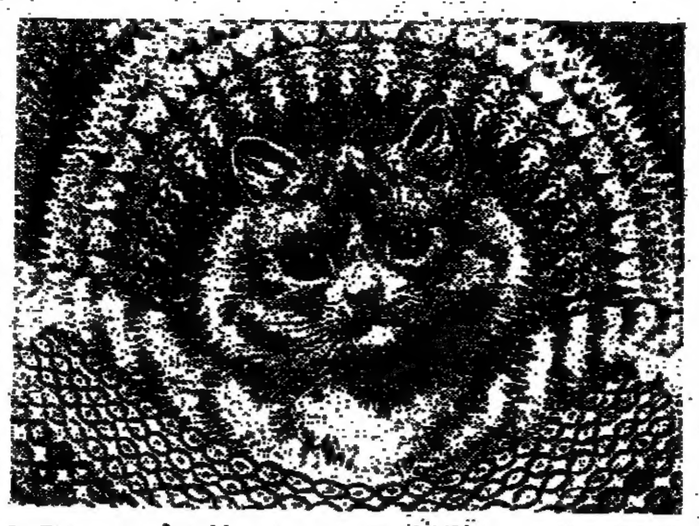
Wain sketches have always been fairly common; but the appearance of Rodney Dale's biography, *The Man Who Drew Cats*, in 1968 and the Victoria and Albert Museum exhibition in 1972-73 created a new vogue and substantial price rises, as I recorded in an article in this column some 18 months ago.

In the past year or so, however, prices have dipped notably, almost entirely as a result of the activities of an accomplished counterfeiter, supposed to be working in or around Bognor Regis (myth usually attributes fakers to such polite watering places). There is no justice, even in such murky areas: it is alleged that the counterfeiter gets only £5 a drawing, even though some of his work has made as much as £70 a picture in the less-observant auction rooms.

Overall, the consequent nervousness among collectors has distinctly affected prices; and the advance estimates by Sothebys Belgravia for a fascinating group of Wain drawings which they are to sell on Tuesday next are temptingly low—even though the provenance of the group is impeccable: they come from the family of friends of the artist's last surviving sister, Claire Wain, who died in 1945.

Louis Wain was born in 1860, studied at the West London School of Art, and sold his first magazine drawing in 1881. The idea of the anthropomorphised pussy cats which were to bring him fame appears to have come from long hours by the bedside of his dying wife, watching the antics of Peter, the kitten that had been given to amuse the invalid.

His first cat drawings appeared in 1886, were an immediate hit with the public, and rapidly won him national fame. The fame of Louis Wain cats, however, outlived their fashion and the artist's fortune. By the time of the First World War he already found it hard to make ends meet. Financial anxiety and ill health told on him, and in 1924 he was certified insane. A public appeal enabled him to be removed to



a more comfortable asylum, where he died in 1939.

Many of the 100 or so drawings to be sold at Sothebys Belgravia date from the period of his illness, during which—while still occasionally supplying work for publication—he turned out hundreds of drawings which have become classic source material for the study of psychotic states. His cats began to assume strange, stylised forms and unnatural colours, with angular, jagged outlines which ultimately developed into abstract and disturbing patterns.

There are also groups of fantastic landscapes, with avenues of trees in formal gardens, and bizarre oriental or Olde English mansions, surrounded by birds of curious hue or animals, generally and significantly shown in the frenzy of the hunt.

Some of the drawings represent Wain's earlier and less disturbed work, though all of them show the extent to which he believed in and lived in his own Catland. The quality in his work which raises it above ordinary pictorial journalism is his own total dedication to the feline species. Rightly he believed he had "wiped out once and for all the contempt in which the cat has been held in this country." He believed moreover that people who kept cats were immune to nervous complaints, hysteria and rheumatism. Alas, that events did not prove him right.

The drawing illustrated here shows Wain's two mental states in combination—a rather kindly pussy in the artist's earlier style is shown laying a tablecloth which matches the characteristic psychotic patterning of the wall-paper which haloes his head.

Photographic images and related material are another area in which prices have tended to be erratic and unpredictable, though they are now apparently settling down.

Since so little of the material had appeared on the open market until five or six years ago, there was often no way of assessing comparative rarity; so that a book or photograph might make a high price on presumed scarcity value, only to be followed by embarrassing quantities of duplicates in ensuing sales. Apparently unique albums by major photographers like David Octavius Hill or Julia Margaret Cameron were chased into the auction room by others of hardly less quality.

Certain categories are immune to fluctuation; and for their sale of October 24, Sotheby's Belgravia put an estimate of £500-£1,000 on a single stereoscopic daguerreotype of a cheeky plump girl of the 1850s, pulling up her nightie to expose herself shamelessly. (The catalogue description runs, coyly: "... a lady of pleasure standing with scant drapery amidst rocks and waves.")

The Tuesday following the Sotheby sale, Christie's have the first Photographic sale to be held in their new South Kensington rooms (formerly Debenham Coe's). It includes a good album of Mrs. Cameron's illustrations to *Idylls of the King*, inscribed by that inveterate lion-huntress to the Crown Princess of Prussia.

Saleroom

Art market returns to earth

By Michael Thompson-Noel

AFTER THURSDAY'S high jinks, when a Louis XIV silver-gilt bowl bought for 80p in a jumble sale fetched £9,000 at Sotheby's, the art market returned to earth yesterday.

At Christie's, a £67,662 sale of Old Master pictures included £2,940 for a "Madonna at Prayer" in the manner of Schongauer and £1,890 for a pair of paintings, "Apollo and Diana" and "*Diana and Endymion*," attributed to J. Amigoni.

Top price at Phillips in a £16,291 sale of silver was the £500 paid by Hicklington for a Victorian two-handled presentation cup made by Robert Garrard.

In Basle, a three-day Robson Lowe stamp sale totalled £194,475.

Half the pupils absent after school strike

By Michael Dixon, Education Correspondent

MORE THAN half the 114 pupils of the troubled William Tyndale junior school in Islington, London, were absent yesterday—the first full day of teaching following Thursday's return of seven teachers after a three-week unofficial strike.

Another absentee was Mr. Terry Ellis, the headmaster and one of the strikers, who was ill but hoping to return on Monday.

The seven, who walked out when the Inner London Education Authority ordered an inspection of the school, favour a "progressive" approach to schooling. The preliminary report of the inspectors describes "discouraging" standards of attainment by pupils and of organisation by staff.

Mr. Roy Price, a divisional education officer of the ILEA, said yesterday that the authority was prepared to help parents who wished to transfer their children from William Tyndale to other junior schools.

Pit tests cut 400 jobs

FOUR HUNDRED of the 1,500 miners at Vane Tempest colliery, near Seaham, Co. Durham, have been made redundant because tests have shown that reserves are limited.

The National Coal Board wants to reduce the labour force and switch from four to three shifts. The National Union of Mineworkers plans to contest the redundancies.

Auction Diary

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Plea to Wilson on Ulster's economic plight

BY GILES MERRITT BELFAST, Oct. 17.

THE PRIME Minister is soon to receive an emergency report on Northern Ireland's deteriorating economic position.

The decision to set the hard facts and a package of proposed remedies before Mr. Harold Wilson follows a special crisis meeting to-day at Stormont Castle. More than 100 senior industrialists and trade union leaders were there.

The conference was called just over a week ago by Mr. Stanley Orme, Minister of State responsible for Economic and Industrial Affairs, with the twin aims of finding fresh ways to boost the flagging Ulster economy while reassuring industry here that Britain is not contemplating economic withdrawal.

The latter point has become increasingly vital in recent weeks, following Mr. Orme's announcement of a Christmas deadline by which the Harland and Wolff shipyard must either sharply improve productivity or face closure.

To add to Northern Ireland's fears, the STC British telecommunications subsidiary of ITT revealed that it is closing one of its Ulster factories, at Larne, County Antrim. Mr. Orme disclosed to-day, though, that STC has now assured him it has no plans to withdraw further.

The measures likely to be taken by the Government to ease what Mr. Orme described as the coming "hard winter" in Ulster — where employment is climbing towards 11 per cent. and in some Catholic areas of Belfast is claimed to be 35 per cent.—will not be known until after Mr. Wilson has studied the reports. And it is being stressed that any decision to increase Government spending in Northern Ireland will depend on an assessment of the needs of other distressed areas in Britain.

Speaking after to-day's conference, Mr. Orme emphasised that Ulster has already received a proportionately greater share of the £7m. Government fund recently provided to combat unemployment. If extra State spending is allocated, much of it is likely to go to the construction industry to help improve the province's chronic housing shortage.

With the future level of economic aid to Ulster very much an unknown quantity, Mr. Orme is understood to have concentrated on current commitments when he chaired the morning-long meeting. He told reporters that he met the question of imposed economic devolution "frontally" and "proved with facts and figures that there has been no economic withdrawal."

On the contrary, he told the conference. Government spending on industry, trade and employment has risen far faster in Northern Ireland than in Great Britain. In the last five years it has increased by 71 per cent. in the province, against a 28 per cent. rise in the rest of the U.K. while per capita spending now stands at £99 here and £36 in Britain. At the same time, a total of £180m., or almost half of the annual £400m. subsidies received by Ulster, goes directly on aiding trade and industry.

In an attempt to earmark further grants for Northern Ireland, Mr. Orme revealed that he is to visit Brussels next Tuesday to discuss the EEC regional and social funds with European Commissioner Mr. George Thompson.

MR. JACK SPRIGGS

Mr. Jack Spriggs, a director of Kirkby Manufacturing and Engineering, is still chairman of the KME co-operative's shop stewards' committee, and not former chairman as stated in the article on the co-operative's first 11 months on October 13.

Ashley Ashwood

Doug Scott in front of a map of the mountain he conquered.

Everest's conquerors return

FINANCIAL TIMES REPORTER

THE TRIUMPHANT British team which climbed the formerly unconquered south-west face of Everest returned to England yesterday to immediate acclaim.

Applause greeted the climbers as they entered a Press conference called in the City by Barclays Bank, sponsors of the expedition.

Chris Bonington, leader of the expedition, looking relaxed in an open-necked shirt, paid tribute to the team spirit of the climbers and to the co-operation from the sherpas.

This had been the prime reason for the success of the expedition, which had seen two Britons reach the summit for the first time and the first conquest by the South-west route.

Dougal Haston and Doug Scott related how they had huddled together for warmth in the night before the final onslaught on the peak. Temperatures were −30 to −40 degrees centigrade. Neither man slept for fear of not waking up.

The two arrived at the summit to witness, in the words of Haston, "the most beautiful sunset I have ever seen."

They were too busy taking photographs and appreciating views across the peaks into the plains of India to exchange many words. As night closed in they began the descent.

The climbers' experiences must have seemed remote, even to them, as they related them amid the celebratory atmosphere of the Grand Hall at Barclays.

Mr. Bonington agreed that for the public the attraction of conquests of Everest might become less, but for all climbers it was a challenge. The mountain was already booked for attempts by expeditions until 1982.

He praised Mr. Mick Burke, who died after he pressed on alone towards the summit after his partner had been forced to return to camp.

"Climbing is all about risk and each individual makes his own decision about the level of riks he is prepared to take." In no way had the risk taken by Mr. Burke been unacceptable.

Britain to resist EEC winter milk pricing

BY JUSTIN LONG

POLICIES ADVOCATED by the EEC Commission for seasonal pricing of milk—leading to lower winter prices detrimental to U.K. producers will be resisted by the Government.

"We clearly could not accept a system which was biased against U.K. interests," Mr. Fred Peart, Agriculture Minister, assured the Commons yesterday.

The Commission's proposal in its present form was not suitable because price abatements in times of surplus would be concentrated in the winter months, the Minister pointed out when MPs debated the Common Agricultural Policy.

"Winter production is more important in the U.K. than in other member-States, largely because of the need to meet a large liquid demand in full," said Mr. Peart. On dairying in general he stressed: "I am quite clear that action to curb over-production in the Community must not bear inequitably on producers here. We have structural and climatic advantages in dairying. So an increase in our producers' share of Community production would be entirely consistent with the basic principles of the CAP."

The Minister gave similar assurances of his intentions to safeguard the interests of Britain's fishing industry under the Commission's proposals for limiting subsidies.

EEC proposals to h[...] State aids could have [...] bearing on the various g[...] U.K. made available to [...] industry—in particular f[...]ing fishing vessels, gr[...] harbour works and loan[...]cessing plants.

Perhaps the most i[...] item for Britain was [...] which would limit the [...] for vessel constructic[...] would create difficulties [...] U.K.'s present practic[...] single rate 25 per cent., [...]ster suggested.

But the Government w[...]tinue to press for ret[...] its present approach t[...] this sector.

Airline ends fight over commission

By Michael Donne, Aerospace Correspondent

THE "COMMISSIONS WAR," which this summer threatened to disrupt Anglo-U.S. relations on civil aviation, may be nearing its end.

Pan American, which fought a legal battle with the Department of Trade over the Department's right to decide what commissions an airline should pay its travel agents in this country, said yesterday that from November 1 it would adhere to the 7½ per cent. commission rate approved by the Department.

Its decision came after an assurance from the Department that it would not discriminate against the airline and would not require it to apply the 7½ per cent. rate on ticket sales outside the U.K.

Pan Am's move stemmed largely from the fact that the member airlines of the International Air Transport Association are due to discuss in Cannes from October 27 a plan to pay its agents throughout the world a commission of 8 per cent., together with incentives to help to boost sales.

It is widely believed in the airline industry that the plan stands a good chance of acceptance. If it was accepted there would be no point in Pan Am continuing to fight the Department of Trade and pay more than 7½ per cent., because a substantial part of its case already appears to have been won for it by the IATA move.

Many offices 'still below minimum legal standards'

BY ROY LEVINE

TOO MANY offices still do not meet even the minimum requirements of the Offices, Shops and Railways Premises Act, which has been in existence for more than ten years, according to Mr. Roger Henderson, chairman of the office design division of the Institute of Administrative Management.

He said at the presentation of the Office of the Year awards in London yesterday, that he was continually amazed at how squalid some offices were.

"What is not noticed is the steady deterioration in output and efficiency. It usually takes a major upheaval to bring home to all concerned that their offices are shaping their business to its considerable detriment."

Presenting the awards, Lord Robens, chairman of the panel of assessors, said that whereas before the trend was to improve factories rather than offices, it was now becoming clear that there was a trend towards improving the working conditions in offices.

The winner of th[...] Class I award, for the [...]pose built office, was [...] district office in Bedfo[...] Eastern Electricity Boa[...]

Its main feature is [...] amount of window spa[...] energy and the excellen[...] lighting by using [...] diffusers.

Albright and Wilson [...] plaque for Class II—an [...] speculative block. The [...] for the industrial [...] division in Warley is b[...] open plan and was f[...] after consultation with [...]

Architects Richard [...] Robson and Partners [...] winners of Class III—fr[...]verted office. They [...] desolate warehouse in [...] Town, London, into a th[...] triangular office block w[...]sive windows on each [...]ing for plenty of natur[...]

The competition, wh[...] biennial event, is arr[...] the Institute of Adm[...] Management.

More bread price cuts

Financial Times Reporter

SPILLERS and RHM Bakeries are to cut the price of a standard 28 ounce loaf by ½p to 16p. The cuts, like those announced on Thursday by Associated British Foods, will take effect on Monday.

They are being made in spite of expected upward pressure on prices as pay rises fall due and the industry faces the possibility of a rise in the cost of flour.

Key Markets, the stores chain, is cutting the price of a standard loaf to 13½p for a fortnight from Monday, as a promotion move.

Personnel directors ea[rn] more than finance chi[efs]

BY MICHAEL DIXON

PERSONNEL DIRECTORS of large companies are being paid more than the financial directors, according to a special survey just completed by Computer Economics, the personnel-research organisation.

The survey covered about 120 larger-sized companies and was dated at August 1 to coincide with the Government's £6-a-week restrictions.

When all the companies were taken together, the personnel directors were found to have an average age of 44, an average salary of £12,307, and a median salary of £11,000 (the median is the salary of the person half-way down the pay "league table" for his particular group).

The financial directors had an average age of 41, an average salary of £11,343, and [...] of £10,741.

Computer Economi[cs] salary surveys are [...] highly regarded, also b[...] the figures according [...] of the companies' turn[over].

In those of under £1[...] turnover, the personnel [...] average salary was £9,9[...] median £9,120. The [...] directors' were £8,331 [...]

In those of £10m.-£[...] personnel figures wer[e] [...] and £10,487, with the [...] directors in this grou[p] [...] to get more—£10,853 ar[...]

In the £75m.-plus c[...] the personnel direct[ors] [...] again in the lead with [...] £16,375 and £14,713, [...] with the financial [...] £15,667 and £14,574.

Stonehouse and 'Markham' [...] credit cards, court told

AN INSPECTOR with the American Express credit card organisation spoke yesterday about cards taken out in the names of John Stonehouse and Joseph Arthur Markham.

If the company had known that Mr. Stonehouse was going to disappear, it would have cancelled the card in the Labour MP's name and asked for payment of outstanding bills, Mr. Kenneth James Betts told Horseferry Road Magistrates' Court, London.

The Markham card had been applied for in August last year. If American Express had realised any of the information in the application was false, it would not have issued the card, said Mr. Betts.

It was the fifth day of committal proceedings in the case of the MP for Walsall North, who faces 21 charges of theft, conspiracy and fraud and a further two of making false statements to obtain legal aid.

In the dock with Mr. Stonehouse was his former secretary, Mrs. Sheila Buckley, who faces six charges of theft and conspiracy.

Mr. Betts, who works in the American Express European operations centre at Burgess Hill, Sussex, said that the Stonehouse credit card account, opened in 1965, had been satisfactory until about last November—the month Mr. Stonehouse disappeared. In March, 1975, the debit was £1,372.87.

Consultancy

The J. A. Markham application to open an account gave an address in St. George's Drive, S.W.1., and was dated August 28, 1974. His company took up the references supplied, one with a bank and one with the J. A. Markham export consultancy, Regent Street.

The reply from the consultancy was signed apparently S. P. Alexander, and gave the information that Mr. Markham had been employed from April, 1963, and had a gross annual salary of £14,500.

In answer to the question "Would you recommend credit?" was typed "yes."

In January this year, his company received a letter with a cheque for £500 as credit to the account and the card in the name of Markham. [...] when outstanding ma[...] been taken into acc[...] deficit was £1,066, befo[...]ment of £840 was ma[...] American Express [...] office.

Earlier, the court w[...] Mr. Stonehouse's fight [...] merchant bank's attem[...] develop the site of the [...] one of his companies.

Mr. Philip Gaye, a di[...] several of the MP's c[...] said one of them—Ex[...]motions and Co[...] Services—had leased a [...] in Dover Street, Mayf[...] sublet part of it, thus [...] a prime West End sit[...]cally rent-free.

Then the freeholder[...] building were taken [...] new owners, Hambros [...]ment Trust, had given [...] tenants—under a redev[...] clause—six months' n[...] quit.

A petition objecting [...] development organised [...] Stonehouse, resulted in [...] permission for full re[...]ment being refused b[...]minster City Council. T[...]ing continues.

IN BRIEF

Many take £6

About 95 per cent. of employees covered by wage settlements made since August 1 had agreed to the £6 limit or an amount just below it, said Mr. Michael Foot, Employment Secretary. He told Mr. Terence Higgins (C., Worthing), in a written reply that the rest settled at a lower figure.

Welsh oil hope

Drilling for oil in the Celtic Sea may start again, Mr. John Morris, Welsh Secretary, said.

Ringways hint

Mr. Crosland, Environment Secretary, is expected to make a speech soon about motorways in and near London. GLC members have seen advance copies. Labour pledged on winning GLC control in 1973 that it would scrap two of three proposed ringways.

Dumping probe

The Department of Trade is to investigate allegations that wood-fibre insulating board is being imported from Norway and Poland at prices which constitute dumping.

DAF's price plan

A fixed price repair and maintenance contract for four years or 300,000 miles was introduced yesterday by DAF Trucks (GB) for new trucks. A typical cost is ½p a mile.

Unmarried wife

Three Appeal Court [...] reversed the principle of [...] old ruling of the court w[...] decided that a spinster [...] who lived with a man now [...] his wife for 40 years coul[...] evicted from the house h[...] In 1975 she would be reg[...] "one of his family," they [...]

£26,000 porch

The new entrance porch [...] at the House of Comm[...] cost £26,830, Mr. Ernes[...]strong, Environment Unde[...]tary, said. In total it wo[...] about £237,000 to complet[...] Two of landscaping New [...] Yard, he said.

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OVERSEAS NEWS

Giscard in call for world talks on disarmament

MOSCOW, Oct. 17.

NCE AND the Soviet Union d to-day for a world dis- ment conference of all ar powers, and declared that West detente should extend e military field.

e call came in a joint politi- leclaration signed by Presi- Valery Giscard d'Estaing of ce, on a State visit, and t leader Leonid Brezhnev. new element is agreement ve concrete shape to pledges etente at the Helsinki Euro- security summit last July. the declaration, France d the Soviet Union in its standing quest for a world mament conference of all ar powers, although M. rd d'Estaing carefully ed phrasing that would tly compromise the French y of military independence. Giscard d'Estaing does not for home until to-morrow ing. But the Kremlin sign- ceremony effectively ended ve-day state visit which was vn into confusion by an ot Soviet decision to call off last Wednesday.

ly to-day did French alists get close enough to Soviet leader to hear an nation that he had had a He also indicated that had been trouble in ing the political declaration. a Press conference, M. rd d'Estaing to-night owledged there had been a difference of opinion on question of ideological gle. "There was a ence but not a contradiction ositions we expressed in on the opening day," he

French President then a plea for "ideological dis- ment" while the Kremlin r stated flatly that detente not rule out the East-West of ideas.

M. Giscard d'Estaing retreated somewhat at his Press conference to-night saying his earlier state- ment "did not mean one side or the other should renounce its chosen system."

The Franco-Soviet friendship declaration kept off this ground altogether, although it did deal fairly fully with the delicate sub- ject of disarmament—one the French had wanted to skirt if possible.

France, still committed to a lone-wolf military policy based on its independent nuclear deterrent, feels that disarmament discussions serve no useful pur- pose unless they involve the entire world.

So it is not attending either the 25-nation disarmament con- ference at Geneva or the Vienna negotiations on balanced East- West troop cuts in Europe.

But to-day's declaration stated: "The two sides stress their interest in efforts to lessen the risks of military confrontation and to promote disarmament which would have the effect of giving detente a new field of application."

On human contacts, another thorny subject, the French secured Soviet agreement for giv- ing multiple exit and re-entry visas to French journalists based in Moscow—a concession stem- ming from the Helsinki docu- ment.

With Mr. Brezhnev looking on happily, apparently recovered from his illness, Ministers from the two sides also signed techni- cal agreements to-day on energy, civil aviation and tourism.

President Giscard d'Estaing said the value to France of new contracts concluded as a result of his visit was nearly Frs.2.5bn. (£250m.). France might land a Frs.12bn. (£1.2bn.) contract for building an aluminium plant in Siberia, he added. Reuter

Civil strife costs Lebanon $3.4bn.

BEIRUT, Oct. 17.

SIX MONTHS of Christian-Moslem warfare have cost Lebanon $3.4bn. in economic losses and left 15,000 workers jobless, the Chamber of Commerce said Friday.

The loss figure equals the national revenue in 1974. Officials said it will take this country at least two years to recover from what they called "the greatest economic catastrophe Lebanon has ever suffered." Since last April, the Chamber of Commerce reported, 3,450 commercial enterprises have been "bombed, dynamited, burned and looted." Of these, 2,900 were in Beirut and 550 outside the capital, mostly in Tripoli. AP-DJ

Ihsan Hijazi adds: The U.S. dollar dropped sharply on the foreign exchange market here to-day as banking transactions picked up momentum with the re-establishment of a certain degree of stability in the country.

Meanwhile, the Lebanese Government is preparing for new negotiations with the Palestine Liberation Organisation regarding its commando presence here.

The Cabinet at a meeting yesterday decided to form a committee under Interior Minister Camille Chamoun to conduct negotiations with the PLO.

Whitlam to govern until 'money runs out'

CANBERRA, Oct. 17.

AUSTRALIAN Prime Minister Gough Whitlam to-day ordered his besieged administration to cut spending after the Opposition blocked Government funds in an attempt to force a general election.

All Government departments were ordered to halt expenditure "deemed anything but absolutely essential," following an emergency meeting of senior ministers called by Mr. Whitlam. The Prime Minister has defied the Opposition by announcing his intention to continue governing until finances run out, which is expected in about six weeks.

Mr. John Gorton, a former Liberal Prime Minister and now an Independent member of the House of Representatives, meanwhile said that the possibility of "riots, strikes and fighting in the streets" could not be ruled out. "There's always a possibility of it if there's a breakdown of Parliamentary government," he said.

More than 4,000 trade unionists yesterday held a meeting in support of Mr. Whitlam. Labour's national secretary, Mr. David Combe, said they had pledged big marches and that a general strike might be called. The constitutional crisis developed yesterday when the Liberal and Country parties used their control of the Senate to defer the bills until "The Government agrees to submit itself to the judgment of the people," in a general election.

Opposition leader Malcolm Fraser said the Prime Minister had failed to take responsibility for a controversial attempt to borrow up to $8bn. from Middle East oil states. The loans affair forced the resignation this week of Minerals and Energy Minister Rex Connor.

Mr. Whitlam said the opposition had been unable to bring any specific charge of illegality or misconduct against the Government, and branded its unprecedented action in blocking finances as "an attempt to sabotage the foundation of our Parliamentary system."

He has made it clear that he will not call an election until the Opposition rejects outright the appropriation Bills. The Prime Minister has said that if he is forced to the polls, he will seek an election for only half of the Senate — which in any case must be held before next June 30.

Reuter

The policy that boomeranged Page 12

EGYPT PULL-OUT

CAIRO, Oct. 17.

EGYPT announced to-day that it was withdrawing warplanes and pilots stationed in Syria since before the 1973 Middle East war as a protest against Syrian criticism of Egyptian peace policies.

UPI

Foreigners warned to leave Angola

By Our Own Correspondent

LUANDA, Oct. 17.

ALL AMERICAN, British and Canadian citizens in Angola have been warned by the U.S. Consulate General to leave the country as soon as possible.

The warning comes direct from the State Department and follows the arrest and disappearance of two Americans. Since the withdrawal of the British Consulate General from Luanda during the recent outbreak of fighting between the three liberation movements, America has taken over responsibility for people usually under British protection.

One of the missing Americans, so far unnamed, was picked up in Luanda yesterday afternoon while walking along the street.

The other is Mr. John Scott Robinson, 30, who was arrested at Luanda airport by MPLA (Popular Movement) military police as he was about to board a flight to Lisbon.

● Reuter adds from Pretoria: South African troops killed seven guerillas of the South West Africa Peoples Organisation (SWAPO) in the Angola border area, Defence headquarters announced to-day. It did not say exactly where the fight took place, but informed sources said it appeared it was on the Angola side of the frontier.

Spain hoping UN will act on Sahara

BY ROGER MATTHEWS

MADRID, Oct. 17.

THE GOVERNMENT of General Franco is understood to be seeking urgent United Nations' involvement to counter the threat by King Hassan of Morocco to send 350,000 marchers into the Spanish Sahara.

The Spaniards are even prepared to abandon the territory unilaterally, according to official sources, thereby leaving the two principal claimants, Morocco and Algeria, to fight it out, perhaps with some Mauritanian participation. It is hoped here that such a possibility will push the UN into a more active role.

Spain, in accordance with UN resolutions on the decolonisation of the phosphate-rich Sahara, is prepared for a referendum by the 60,000 nomadic population to decide its own future.

However, neither Morocco nor Algeria will accept this approach and all parties involved believe their points have been proved in yesterday's World Court ruling from The Hague which said that no historical claims to sovereignty could be demonstrated by any nation.

Sources here say that the Spanish army would make no move to halt a march on the capital of El Aaiun by unarmed civilians. They would only use force to repel an armed attack.

'Mass support for march'

RABAT, Oct. 17.

MOROCCANS are lining up by the thousands to sign up for a peaceful march on the Spanish Sahara led by King Hassan II, the Moroccan Press Agency reported.

The agency said Moroccans greeted Hassan's call for the march with "indescribable enthusiasm," then went on to describe crowds filling the streets of Marrakesh and other cities to cheer Hassan's speech.

The monarch did not set a date for the march, but urged his countrymen to sign up. "I will be the first volunteer," he said.

"We will all be unarmed because we do not wish war with Spain," King Hassan declared. "Spain will take all responsibility for any loss of human life." UPI

Reuter adds: Nine Moroccan soldiers were killed in a clash with guerillas of the Algerian-backed Polisario Liberation Front in Northern Sahara on Monday, the Spanish News Agency Pyresa reported from El Aaiun.

The report said one guerilla from the front, which is campaigning for Saharan independence, died in the clash.

Kissinger in Peking

COLINA MacDOUGALL

HENRY KISSINGER, U.S. tary of State, is due to in Peking to-morrow for -day stay to prepare for a later this year by President While their was specula- earlier that a visit by the lent might be fruitless se the main Chinese objec- a shift in U.S. recognition Taiwan to Peking, was un to result, there are other rtant matters to be ssed

se include questions on uture of Korea, which is of concern to both the U.S. China because of its t on Japan and East Asian ty. Also on the agenda be the evolving political ns in South-east Asia ing last spring's Com- t victories in South Viet- nam and Cambodia. China will probably also want to issue warnings about Western detente with the USSR.

The talks are not likely to be much affected by the recent deliberate cooling of the Sino-U.S. relationship by the Chinese. This week Peking attacked U.S. toleration of a Tibetan office in New York and the American tour of a group of Tibetan entertainers. This may have been meant to forestall criticism either from the Soviet bloc or Chinese radicals of rapprochement with the U.S.

Although Premier Chou En-lai is in poor health and at present seems unlikely to meet the President when he comes, senior Vice Premier Teng Hsiao-ping evidently now has both the ability and the political stature to handle the discussions.

Lisbon workers' control vote isolates centrists

JANE BERGEROL

LISBON, Oct. 17.

IUNISTS, Socialists, ar Democratic Movement Centre Democrat Deputies day joined together to vote rs' control into Portugal's constitution, leaving only entrist Popular Democratic in opposition.

workers' control clause is d as one of the fundamental itionary clauses in the new tution. Its terms are that kers' commissions are to the right to exercise rol of management in firms o intervene in reorganisa- f production units."

amendment by the Centre erats, adding "within the of the law" to the clause efeated.

Popular Democratic Party ed the clause vociferously, ried to persuade Deputies co-management should re- workers' control. The Centre Democrats' position, guided by their leader, Freitas do Amaral, is clearly more subtle than the PPD, which is now isolated in its opposition to workers' control, something its opponents are bound to use against it.

The harshness of yesterday's debate was a further indication of the Popular Democrats' new, more Right-wing approach to politics, and its intransigence which is making the sixth Provisional Government's job increasingly difficult.

During the past fortnight, and following the return to the party leadership of Dr. Sa Carneiro, it has become increasingly probable that the PPD will attempt to force the Socialist Party into opposition to Communist participation in the Cabinet, something Dr. Mario Soares would be quite unable to accept.

Physics Nobel shared

JOHN WALKER

STOCKHOLM, Oct. 17.

NOBEL Prize in physics 1975 has been awarded y to an American and two h scientists, the Royal sh Academy of Sciences nced to-day. The Nobel for chemistry has been y divided between an alian-born and a Swiss ists.

physics prize, valued at).000 (£70,000), is equally d between Professor Aage of the Niels Bohr Institute, hagen and Professor Ben lson, also of Denmark, and ssor James Rainwater of nbia University for their ery of the connection en collective motion and le motion in atomic nuclei. chemistry prize, which is worth Kr.630,000, is equally d between Professor John up Cornforth of Shell rch, England for his work the stereochemistry of ne-catalyzed reactions. The half of the prize goes to ssor Vladimir Prelog of Eidgenossische Technisvhe schule in Zurich.

Barnes reports from hagen: Soviet physicist i Sakharov appealed to public opinion to assist n his civil rights struggle message to the International rov Hearings on human in the USSR here. rov, awarded this year's Peace Prize, thanked the isers for holding the con- ference in his name and expressed the hope that it would prove a turning point in the struggle of civil rights dissidents in the Soviet Union.

Dr. Sithole 'kidnapped'

SALISBURY, Oct. 17.

A CAR belonging to a missing black nationalist official, Dr. Edson Sithole, has been found abandoned near the Rhodesian border with Mozambique, police reported here to-night.

The discovery of the car was the first clue to emerge since Dr. Sithole mysteriously disappeared from outside Salisbury's Ambassador hotel on Wednesday night.

One of Rhodesia's top black lawyers, Dr. Sithole is publicity secretary of Bishop Abel Muzorewa's faction of the divided African National Council (ANC).

A brief police announcement to-night said Dr. Sithole's car had been found to-day near the railway station at Umtali—about 10 miles from the Mozambique border.

Legal colleagues and fellow members of the Muzorewa faction of the ANC fear that Dr. Sithole, 42, has been kidnapped.

Reuter

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SATURDAY, OCTOBER 18, 1975

Two views on spending

THE LATEST economic indicators, as the Chancellor emphasised at some length in his speech on Thursday evening at the Lord Mayor's banquet, have shown some sign of improvement. The visible trade deficit, for example, fell from £378m. to £211m. between August and September: with three-quarters of the year now past, it seems likely that the 1975 payments deficit on current account will be only *half*, or less, of 1974's £3.7bn. Yesterday, moreover, it was announced that the retail price index had risen by less than 1 per cent. in September, for the second month in succession. Of more potential significance, for those hoping to spot the precise turn of the inflationary tide, is the fact that the year-on-year increase in the index *fell* slightly last month for the first time in the present cycle, and that the deceleration becomes more marked when seasonal food prices are left out of the reckoning.

Yet few economic indicators are unreservedly good or bad. The latest improvement in the trade balance arises out of the fact that imports of oil and oil rigs happened to be lower in September: the visible trade balance for the third quarter as a whole was worse than that in the two preceding quarters.

Price trends

One could argue with some plausibility, in fact, that the trade deficit run up in the third quarter is a poor result to have achieved in a period of recession unmatched since the last war and that the movements in the volume as opposed to the value of trade—exports 4 per cent. down in the third quarter and imports 5½ per cent. up—are not encouraging. Much the same is true of prices. Retail prices were officially expected to begin rising at a slower rate in the second half of this year, even though the benefit of the voluntary ceiling on wage increases will not be felt for some months to come. Moreover, the output prices of manufacturing industry rose very slightly during September, and the rise in the third quarter—though still at an annual rate of over 13 per cent.—was the lowest since the second quarter of 1973: the immediate outlook for retail prices, despite the effects of the increases already announced in the level of charges for postal and telephone services, coal, gas, local authority rents and some bus services, is not too bad, though there will inevitably be a further drop in real disposable incomes and living standards because of the wage ceiling.

The *input* prices of manufacturing industry, on the other hand, which will work through into output prices and the final consumer only after some time has passed, have taken a sharp turn for the worse during the past couple of months, and the rise in the costs of the food manufacturing industries has been particularly marked. To maintain the policy of voluntary wage restraint, the Government will be under pressure to maintain some form of price control.

Money supply

Yet there is now widespread agreement that a sharp recovery in company profits is necessary, if not sufficient, to produce the much-needed rise in capital investment. A switch in incomes from consumers to producers is the corollary of the change in emphasis which the Government itself is proposing, from private and public consumption to capital investment and increased exports. But the question is whether the Government is able to keep even its own expenditure under control. The need is not to cut public expenditure sharply in mid recession. It is to devise means of ensuring that public expenditure is under control and can be brought down gradually as industrial demand revives.

Adequate means of ensuring this control do not yet seem to have been brought into play and the public sector borrowing requirement is certain to be considerably higher this year than originally expected. It is understandable that the Chancellor, at the Lord Mayor's dinner, should have dwelt on the effect which the depth of the recession has had on public finances and that the Governor of the Bank of England, who has to meet the deficit in the least inflationary way possible, should have dwelt more on the need to cut public expenditure effectively. Perhaps the strongest case for borrowing from the International Monetary Fund to help meet the payments deficit—a possibility to which the Chancellor referred on the same occasion—is that our creditors would then not only take a close interest in the way we manage our affairs but help to ensure that the growth of the money supply was kept under proper control.

Down Under, a Labor Government which came to office after the Party had languished in the politi wilderness for 23 years is in deep trouble. **Kenneth Randall**, reporting from Canberra, explains wh

The policy that boomeranged

Central figures in the political drama now being played out in Australia. (Left) Mr. Tirath Khemlani, the London businessman involved in negotiations for a U.S. $4bn. loan which led to this week's resignation of Mr. Rex Connor (centre, top) Minister for Minerals and Energy. Dr. James Cairns (centre, bottom) resigned as Australia's Treasurer in July for a variety of reasons, including controversy over his overseas loan-raising policies. For the Prime Minister, Mr. Gough Whitlam (right), defeat within the next few months is virtually certain.

THERE is one basic reason for the Australian Opposition's dramatic move to topple the Whitlam Labor Government by starving it out: the overwhelming evidence that once the conservative parties secure a general election, they will win.

The Government has had a look of doom about it for months. The temptation for Mr. Malcolm Fraser, the Opposition leader since last April, to deliver the *coup de grace* has been constant and growing. His predecessor, Mr. Billy Snedden, provided the precedent last year though he destroyed his own future by losing the election he precipitated.

The precedent having been set it was only a matter of time. The day he defeated Mr. Snedden, Mr. Fraser declared that he accepted the principle that governments are made and broken in the popular house of a Westminster-style Parliament—in Australia, the House of Representatives. But there could be "extraordinary and reprehensible circumstances" where the principle was suspended, he said. Mr. Fraser claims to have found those circumstances now.

There is no doubt at all, despite their protestations, that the Liberal and Country parties which make up the coalition Opposition have believed ever since Labor's election victory in December, 1972, that the change was a temporary aberration. Mr. Doug Anthony, leader of the National Country Party, was advocating the denial of supply in the Senate six months after the Labor Government took office.

The resulting air of instability, previously unknown in Australian national politics despite their roughness, has now reached a peak which, one suspects, all sides will come to regret.

Deep-seated suspicion

Equally, however, there is no doubt that the Labor Party in office has done most to contribute to its own downfall.

The election victories of 1972 and 1974 were narrow and overshadowed on each occasion by failure to win control of the Senate. They were not a strong enough base to sustain the mandate for sweeping change which Mr. Gough Whitlam proclaimed so often. And after 23 years in the political wilderness, Labour had nobody with direct experience of government.

There was deep-seated suspicion of the attitudes of many of the so-called "mandarins" in the public service, not always without justification but often enough to sour relations and to prompt ministers to look for advice in other directions. With a host of changes to be made and targets to be met, the new Cabinet was constantly frustrated by its inability to get things done.

The situation was exacerbated by Mr. Whitlam's near-fetish for "tidiness" in the structure of Government. His wholesale re-arrangement of administrative responsibilities, the abolition of departments and the creation of new ones, along with mergers and relocations, were painfully slow in sorting out on the ground, especially for Ministers wanting instant action.

The Cabinet itself was a patchwork of talents and nonentities—the result of Labor's system of electing Ministers and leaving the Leader merely to allocate duties. Nobody in the Parliamentary Party had had any opportunity to judge the real ministerial talent of those offering themselves for election, but there were many old debts and loyalties to influence the election.

The downfall of its favourite folk hero figures, Dr. Jim Cairns, and Mr. Rex Connor, in these past three months has shown the Labor Party how little it really knew about the men it placed in positions of power.

Dr. Cairns, as Treasurer, refused to acknowledge the electoral damage caused by his employment of the glamorous Miss Juni Morosi as chief confidante and private secretary, often to the exclusion of the Treasury whose advice he professed to distrust. He could not see the dangers of dabbling in overseas loan raising through personal acquaintances or appreciate his growing isolation. When, finally, Mr. Whitlam would have him in the Cabinet no longer, he could not believe that, either, until the numbers went up in the party room.

Mr. Connor followed the Party manifesto covering his job with a rigid dedication punctuated by shotgun invective directed at the "mugs and hillbillies" of Australian mining, the multinationals and foreign exploiters, and the "apes" of the Press who dared to question him. Only now, after the events which caused his downfall this week do some of his colleagues realise how close Mr. Connor's private vision was to obsession.

Labor's fundamental mistake was its judgment of the Australian electorate which put it into power. In particular, the Government grossly and persistently misjudged, after the euphoria of its first year, the community's capacity to accept and absorb change.

A Government which has never been more than mildly Left-wing, and has been almost self-consciously nationalistic, has come to be painted in some quarters as a plaything of extreme socialists bent on creating a republican dictatorship of the masses, tied into the Third World and the Communist bloc.

Significantly different

The absurdity of the image is apparent now as the Opposition parties try almost desperately to show that they are significantly different from Labor, but enough of it has stuck to make the Government's survival almost impossible.

From the beginning, the business community has lived in a state of tension, rising to shock and then demoralisation. There has been no more consistent area of conflict in the Government's relations with particular interest groups.

A few months after he took office, Mr. Whitlam chided businessmen for expressing surprise that the new Government had set about doing what it had said it would do. That was fair enough at the time but Labor promptly set about a series of measures it had never mentioned before. They coincided with world-wide recession and the results were plainly disastrous.

The 25 per cent. across-the-board tariff cut in 1973 was meant to promote imports and counter inflation while, at the same time, the Government encouraged large-scale transfer of domestic resources through assisted industry re-structuring. But the re-structuring assistance schemes were ill-planned and never got off the ground.

Imports flooded in, though. Without the counter-balance of orderly re-structuring, unemployment rose, plants closed and there were frequent allegations that the Government had embarked on a planned "destruction" of the private sector. An alliance of employers and trade unions forced the Government to beat a retreat and introduce temporary import restrictions.

Mr. Whitlam's Labour Minister until a few months ago, Mr. Clyde Cameron, saw his role as one of redressing the balance between workers and employers after such a long period of conservative Government. But his style heightened the private sector's fears to a point of near hysteria.

At the pivotal point of economic management, Mr. Whitlam has had as Treasurer Mr. Frank Crean, who proved to be ineffectual as a Cabinet advocate and steadily lost credibility, then Dr. Jim Cairns, and now Mr. Bill Hayden. There has been no consistency in the views from the Treasurer's chair in Cabinet and, until recent months, dangerously little authority.

The degree of overkill in the Government's contraction of the money supply last year, with all the other factors that were already operating, turned a recession into something close to full-scale depression, with inflation at 17 per cent., unemployment over 5 per cent., capital investment stagnant and the Budget deficit exceeding $A2.5bn.

For two years, the Labor Government doggedly pursued its visions against the demands of practical management, with a large segment of its Cabinet floundering or still working out the frustrations of opposition and with an insensitivity to public opinion that bewildered the grass-roots of the Party.

Mr. Whitlam's lofty preoccupation with foreign relations and his grand touring style in pursuing it, the appointment of relatives and friends to ministerial staffs and provocative, if talented, appointments of Labor activists to important public service posts added quite significantly to the erosion of Labor's support among the electorate.

It was not until the beginning of this year, at the Labor Party national conference, that a serious attempt was made to turn the tide. Ironically, in view of later events, it was Dr. Cairns who signalled the change the clearest. Australia would not be a socialist nation, he said, until it was a nation of socialists—and in 1975 it plainly was not.

Dr. Cairns stressed the importance of a healthy and profitable private sector, the Australian commitment to a mixed economy and the need for a balanced outlook on objectives in the Labor Party. Coming from the long-time spiritual leader of the Left-wing, it was a shock to the conference, though sh specifics so far as the community was concer

It was not until Dr. downfall in July that M lam injected substance declared change. He di cipally with two key ments — Mr. Hayd Treasurer and Senato McClelland as Minis Labour. With earlier changes and a resh Cabinet committee fun amounted, as Senator land said recently, to s close to a change of ment.

Mr. Hayden's Budge pragmatic, cautious out necessarily slow and economic recovery. McClelland's task is t the wage restraint t crucial part of the strategy. With Mr. departure, Senator Ke has joined the inner Cabinet influence as for Minerals and Ener move the vestiges of C —at least in style.

Given the atmosph which it was introd Budget was exception received. Wage restrai largely on a system o tion to the cost-of-livi tics, is still in a condition but has ever of succeeding. And th resources area could b made to look more a less hostile under management.

Until this week's eve were signs, indeed, formal spokesmen for in the Canberra-based organisations were co siderably on the idea the Government quick price. The signs of improvement encour view that the best c to give the Budget a a peaceful atmosphe suggested.

Politica warfare

There is no longer pect of peace in the months. The political w prospect will be the for many years, wi quences stretching fa future. So far as the L ernment is concerned, seems nearly inevita of only two seats enough to oust it f From its present posi thing less than a land would require a r recovery for Labor.

But against an adve Gough Whitlam, Fraser will pay a he for his grab for powe untested in the gruel ness of leadership in campaigns; his tactical is already being serio tioned; and the backla his tactics appears than expected.

Whether Mr. Fr genuinely prepared t Australian Government by denying it fu whether Mr. Whitlam pared to let that happ than submit to a gen tion will be known o a traumatic battle of coming days and wee

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Letters to the Editor

Price code

From The Deputy Director General, Confederation of British Industry.

Sir,—The article of October 1 by Mr. Utiger, the chairman of the CBI prices negotiating team, provides a most useful exposition of just exactly how damaging the Price Code has been to the private sector of British industry.

From the very beginning of negotiations with Government in late 1972, CBI repeatedly showed how the proposed mechanism and arithmetic of the Price Code would inexorably drive down the profitability and cash flow of British industry while also proving a positive deterrent, not only to investment but also to any other action to achieve lower costs. Despite the irrefutable examples of calculations presented to Government, we were unable to alter the form of the Price Code which has remained substantially unchanged since then.

The share of company profits (on a replacement cost basis) in national income has been cut by more than two-thirds since 1972, and it is no use Government complaining that the private sector's investment programme has declined if it is not at the same time prepared to abolish the Price Code that exists to-day.

Small wonder that industry has been forced to cut down its scale of operations and employment to within the availability of its diminishing financial resources.

The warnings which CBI gave Government nearly three years ago have regrettably but inevitably come true. The future national wealth and growth required from the private sector depend greatly on the elimination of the present Price Code system on the statute. Its continuance plays directly into the hands of those who wish to take industry into state ownership.

Lucien Wigdor.
Confederation of British Industry,
21, Tothill Street, S.W.1.

BUPA

From Mr. R. Reyner

Sir,—The letter from Mr. E. M. Shaw on the subject of "BUPA subs for oilmen" (October 10) reminds me of a conversation I had with a fellow patient in a private hospital earlier this year.

He was a wage earning employee of a state owned bus company and unlike myself he had paid for his operation out of his own pocket. Someone had obviously informed him of the BUPA scheme during his convalescence and he told me that on his return to work he would approach the local branch of his union with a suggestion that they take out a group subscription thus enabling his fellow union members to enjoy the benefits of private treatment.

R. F. Reyner.
The Chalet,
Pownall Avenue,
Bramhall, Cheshire.

National Government

From Mr. N. Armstrong.

Sir,—The faithful at Blackpool and the Tory Press may eulogise Mrs. Thatcher's speech—millions of others of all parties and no party who hoped that at least one party leader could give practical and constructive proposals as to how we can curb inflation and unemployment, grow more food and do something to stop the appalling extravagances in national and local government life will be bitterly disappointed. Moreover, many of Mrs. Thatcher's statements will do more to divide the country than unite it.

Mrs. Thatcher appears to have no realisation that Britain is having a battle for sheer survival. Can you imagine Churchill in the midst of the crisis of 1940 making such a speech to his own party conference.

There is now more consensus between the policies of the moderate Labour, moderate Tory and moderate Liberal than there is between Mrs. Thatcher's policies and the majority of the British people. Britain's problems are now so serious that they can only be solved by a national Government with wartime powers or by dictatorship. In the interests of national survival we have just got to go on fighting for one or the other.

Noel Armstrong.
3, Eaton Road,
Norwich.

BLMC shares

From Mr. F. Newman

Sir,—The Department of Industry agreed at the outset that British Leyland would handle the arrangements for the Government's 10p a share offer as well as any appeals. The registrar of BL was accordingly given the power to dispose of something up to £60m. of taxpayers' money and in such circumstances the Government undoubtedly had a responsibility to ensure that BL was in fact capable of handling such a huge financial operation.

I am aware of a significant number of shareholders, most of them elderly, all with small holdings, who claim either that they were never notified of the offer, or whose options to take cash, BL says it never received. (The latter being by far the major complaint.) Indeed BL has now conceded that it is aware of "hundreds" in the same predicament. Mr. Lucas, secretary of British Leyland, has written to me admitting that "Some of the cases may be genuine," but adds "but clearly many are not."

British Leyland suggests that the Post Office is to blame but it is difficult to see how the P.O. could lose so many letters from all parts of the country within such a short space of time and—as far as the acceptances were concerned—all in large strong envelopes clearly printed with the company's correct address. However, the crucial fact is that BL has already had to admit that a few cases have come to light where, having denied receipt, proof of delivery has in fact been furnished. If these cases have been proved to have been lost within the BL transfer department, how many others has it lost that cannot be proved?

The Government was prepared to pay 10p for every share anyone wanted to sell, but as a result of either British Leyland's mishandling; Post Office inefficiency which is suspect; or the individual's own mistake which is understandable; a small number of innocent people have been locked out of this offer. I submit that the Secretary of State cannot avoid the responsibility for this shambles, and only he can take the necessary steps to see that justice is done.

F. T. Newman.
27, Ashcombe Road,
Carshalton, Surrey.

Equal pay is unequal

From The Chairman, Elliot Right Way Books

Sir,—I have followed the various arguments about equal pay for women but one point I have never seen raised is this. Women, on average, weigh 25 per cent. less than men, so that, on average, they eat probably 25 per cent. less than men and wear out their shoes more slowly on that account. Has the Government allowed for this, or forgotten about it?

Andrew G. Elliot.
Elliot Right Way Books,
Kingswood Buildings,
Lower Kingswood, Tadworth,
Surrey.

Mind bending

From Mr. C. Quarrington

Sir,—As one of a breed which includes some of the best publicists in the business, Mr. Max Madden MP (October 10, Page 7) is, paradoxically, sadly lacking the imagination that should be so vital to this country.

Mr. Madden is alarmed for us: lest listeners to a radio show are exposed to free "plugs" surreptitiously wrought from the BBC. As one who earns a living by publicising companies, I doubt that my clients would be awed by the knowledge that radio listeners knew that 17-year-old Janice Boggins was a typist in their company. It's not exactly going to line them up for the Queen's Award.

What would you have, Mr. Madden? A return to the foolish days when newspapers referred to a "four-wheel drive utility vehicle" to describe a Land-Rover, *or* a "natural liquid refreshment" to mean milk? Because that sort of idiocy happened. We're not complete fools and do not really need protection from the use of such names where they occur in the day-to-day context of our lives.

The neurosis of free advertising is reaching paralysing proportions: a lot of people do have loyalty towards their firms and their work—we all devote the best years of our lives towards labour of one kind or another. If I obtain publicity for a company the effect on staff morale is terrific—and why not? Who doesn't want to identify with a successful company. What is better than to have pride in your efforts and a spot of recognition from the rest of the world?

In the gloom of early 1975, a client designed and built in 10 weeks flat two giant hover ferries desperately needed for the trans-Alaskan oil pipeline. From the managing director to the office junior, the entire firm was thrilled with the achievement—the media (except, in fairness, the FT) couldn't have cared less. In America there was vast publicity and praise for the "limeys"—but the people who had worked in sub-zero temperatures to build the ferries would have liked their own country to have shown a bit of interest.

We can do without pointless mollycoddling from people who have more real duties to attend to. And if Mr. David Hamilton wants to tell listeners that 17-year-old Janice Boggins works for Lemons Ltd., let him. It will please Janice, her mum and her friends at work. And if that's insidious mind bending then by golly we've *all* got a lot to answer for.

C. M. Quarrington.
Quarrington-Curtis,
374a, Shirley Road,
Southampton.

Subsidies and road user taxes

From Mr. D. Aston.

Sir,—As might be expected in view of his position Mr. Andrew Warren (October 14) carefully avoids appreciating (at least in public) the arguments of those who maintain net road user taxes are very much lower than the roads lobby would have people believe.

Of course all business travel expenditure can be set against the appropriate income for tax purposes. The other major modes he mentions however (rail, bus, air) are available at fares which include little or no tax (in fact as the roads lobby never tires of pointing out in the case of rail—on a commercial accounting basis they are all subsidised in various ways). In the case of "business" car travel both the non-tax and the tax components of its cost can be set against taxable income so that revenue from corporation, basic and higher rate tax is substantially less than it would be if motoring taxes were disallowed as a deductible expense. This is in spite of the fact that the newest and most luxurious cars driven the longest distances are amongst those most likely to be company owned or employment financed. Also as the cost of motoring rises the tax concessions become steadily more valuable at a time when subsidies to public transport are being reduced in both money and real terms.

In spite of its high cost business users choose to travel by car to improve their personal efficiency and comfort (alth no doubt reducing that of others if they cause congestion), because of the loss of status involved in travelling by public transport (especially by bus and outside London) and because the whole of the cost can be charged against taxable income. In practice largely because of the pattern of motor taxation they can also subsidise their private road travel if cars used for business can be used privately as is frequently the case. This would not be possible if all their business travel were undertaken by public transport or if companies were forced to operate car pools for essential business use which would not be available for private motoring.

D. Aston.
Polytechnic Commerce Centre,

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A Select Committee's findings on the possible impact of a wealth tax on works of art is due shortly. Michael Thompson-Noel reports

A frame of doubt around the art world

ENT suggestions that Mr. Jenkins, Minister for the may soon be shorn of his have caused barely a ripple gret in the art world. Mr. ns is an amiable enough but as Minister for the he has displayed an un- nate knack for putting e's backs up.

Mr. Jenkins' greatest g, in the view of his , has been his attitude ds a wealth tax on es and works of art, an de which has enraged the s of the art market. rkably, Mr. Jenkins was ly witness who gave oral ce to the section of the mentary Select Com- specifically investigating kely impact of levying a tax on works of art who ly favoured such a tax. one else opposed it.

Jenkins is a well-known nger, but his remarks to elect Committee and his sement of a semi-Marxist from a group of seven art , *Why the Wealth Tax l apply to Works of Art*, final straw for many.

art market was cheered eek, however, by a claim the Select Committee recommend conditional ption for works of art d to qualify as part of the al heritage so long as vere unsold and so long as net conditions about pub- ess. If sold, six years' tax would be charged gh transfer, in life or at to descendants would not nted as a sale.

ever, Mr. Denis Healey no means bound to follow mmittee's advice and may instead, to frame a tax along the lines of vernment's original Green

lready indicated, the vast of evidence to the Com- has strenuously argued e for exempting works of m wealth tax. But before ing the case in favour nption it is worth repeat- least in outline, the case

assing the concessionary duty treatment afforded ks of art deemed to be of al importance, as well as estry and agricultural land, Professor Robert Neild of Cambridge University has writ- ten: "It is an interesting com- mentary on the British class structure and capacity for hum- bug that there are concessions only for these assets of the landed gentry and that the Establishment regularly defends those concessions by ignoring their inequity and class implica- tions and referring instead to aesthetic arguments or to economic objectives which might equally well be met by other means."

No exemption

At its simplest, the view on *the Left is that if a thorough-* going redistribution of wealth is ever to be achieved, works of art *cannot* be given privi- leged exemption. According to Professor Neild: "What one faces is a problem of 'social engineering' — how to re-arrange the ownership and display of the national art heritage to the maximum social advantage. The obvious answer is to arrange that country houses, with which we are so well endowed, are turned on a much larger scale — into museums and places of show- manship while they and their contents pass from private to public ownership through the full application of death duties, gift tax and wealth tax, com- bined with measures specific- ally designed to induce the shift to public ownership."

A more *middle-of-the-road* view was promulgated by the authors of *An Annual Wealth Tax**, published this summer, who concluded: "The prime *policy on works of art should* be to maximise consumption or enjoyment. Works of art should be exempt from wealth tax pro- vided the owners meet appro- priate conditions about public access."

Observing that crudely to exempt works of art would mean both that some wealthy people would pay no wealth tax on a significant part of their wealth and that on the remainder they would pay at a lower average rate, the authors reckoned that the clue to an appropriate tax policy for works of art may be discovered among four particu- lar characteristics they possess:

1 They are very inelastic in supply, so that the argument for taxing works of art to pre- vent investment distortion (the diversion of resources from current output into the "art industry") is hardly important. If Mr. A buys a Picasso from Mr. B for £500,000, Mr. A has £500,000 less to invest but Mr. B has £500,000 more. The trans- action has made virtually no claim on current real resources.

2 The international nature of the art market: Barring export restrictions, the likely result of a wealth tax on art would be a large-scale exodus of these works as owners disposed of them either to pay the tax or to move into income-yielding assets.

3 The cost of consumption: The enjoyment of a work of art is derived from looking at it and however many people do so it is not used up. Here, say the authors, lies the main guideline for public policy — to maximise consumption. "Surely the encouragement of the consumption or enjoyment of works of art ought to be the kernel of any national policy to promote art."

4 The full enjoyment of some works of art rests on seeing them in the appropriate setting. This may be a museum, or the portrait gallery of an historic house, or it may depend on viewing a unique private collec- tion *as* a collection, not as dis- persed pieces.

There are, in fact, some very practical considerations in- volved in levying a wealth tax on works of art. There is the problem of administration. There is the problem of dis- closure if owners see the tax as unjust: tax morality is a tender plant which once damaged may not readily thrive again. Thirdly, there is the even more serious problem of valuation: experts themselves have been known to be up to 750 per cent. out in valuations of specific works, even where authenticity and quality were not in doubt.

In summary, the middle-of- the-road view is that because, like other assets, works of art can be converted into purchas- ing power (that is sold) but because, unlike other assets, they embody a cultural heri- tage which governments have consistently sought to preserve, there is a strong case for con- ditional exemption dependent on public access.

The difference between this stance and that of the Govern- ment's Green Paper proposals on wealth tax is that the Green Paper spoke of a possible defer- ment of tax—with or without interest—so long as works were on public display, not total exemption.

According to the middle view, the main objective of public policy on works of art should be public display rather than public ownership. Both the State and the public would get a good bargain in return for tax exemption: the art works would be privately housed, insured, safeguarded and looked after but publicly available. Once an owner ceased to meet these condi- tions, exemption would cease, but there should be no deferred charge stretching back into the period when the conditions on access *were* being met.

However, the overwhelming view of the art market itself is that works of art should be totally exempt from wealth tax. According to the Reviewing Committee on the Export of Works of Art, mere deferment of the tax would lead to a "flood of sales" and the destruction of the present system of incentives with which successive govern- ments have sought to avoid the mass dispersal of the national heritage. "Even if the Govern- *ment* were prepared to inter- vene with very great financial support to public collections, their buildings and their run- ning, many of these works will go overseas, lost forever to the nation," claims the Committee.

In turn, the Joint Committee of the Fine Art Trade, which speaks for Britain's fine art dealers and auctioneers, believes that wealth tax com- bined with capital transfer tax would radically alter the struc- ture of the U.K. art trade—an important foreign exchange earner, both visibly and in- visibly—and severely reduce its international prestige. According to the trade, plans to take works of art into public ownership *in satisfaction of accrued tax liabilities might* prevent the piece-meal dispersal of important collections but would also mean that, within a generation, all major collections and houses would pass into public possession and their con- servation and display become the responsibility" of the State.

But what about the recurring claim that exemption for works of art would create a tax haven, a flight of capital from taxable assets into art? According to the market, no such [illegible] would arise, as potentia[illegible] would need to balance [illegible] income from buying a [illegible] income producing painting or vase against the advantage of exclusion of such an asset from wealth tax. At the same time, works of art have to be pro- tected and insured and, while they often do display prodigious capital appreciation, they are usually just as likely to fall in value as to rise.

There are three other major considerations advanced by the market in support of total *exemption: (a) the effect of a* wealth tax on living artists; (b) its impact on museums; and (c) the immense practical difficul- ties involved in valuation.

The effect on living artists is easy to imagine. Buyers would be discouraged from direct pat- ronage and the disincentive to produce presumably would seriously dampen an artist's (though not of course a genius's) creativity. In addition artists could be taxed on their own, unsold canvasses stored in the loft.

The impact on museums would be even more disastrous, according to the Standing Com- mission on Museums and Galleries, which says that the past importance of private col- lections to the enrichment of public collections cannot be overstressed (1,185 out of the 2,040 pictures in the National Gallery were acquired by gift or bequest).

Professor John Hale, chair- man of the National Gallery trustees, says *the Government* would have to throw a "steel mesh" around the British Isles to prevent the drain abroad of paintings that might come on to the market as a result of wealth tax. "No gallery is equipped to deal with the massive fall-out of art treasures that the tax might precipitate."

Extra cost

The initial cost of displaying the new exhibits that museums might acquire, and the extra cost of staffing and con- servation, have been estimated by one museum director at around £250m. But this does not N[illegible] to take into [illegible] vast capital sums [illegible] if the State were to [illegible] works offered for sale [illegible] their loss abroad. Professor Hale says there are at least 30 outstanding paint- ings, worth roughly £1m. each, and a further 230, worth per- haps £200,000 each, which he would like to see the National Gallery obtain over a "decorous" length of time. But those 260 paintings (worth £76m. at current values) are only the merest tip of the country's total art wealth.

On the question of access, Professor Hale says: "The number of great paintings in Britain that are totally inac- cessible to the public can be counted on the fingers of one hand. There are a number of others in homes unsuited to opening, but you can ask to see them."

Valuing

Thirdly, there is the difficulty of valuing works of art. In a fascinating paper to the Select Committee, Wing Commander John Scott-Taggart, a private collector, lists a series of inci- dents in which objects were either grossly under- or over- valued. He quotes, for example, the *Penitent Magdalen*, by Philippe de Champagne which he bought in 1952 from a London dealer for £200. Four years later it was sold at Sotheby's for £3,100. In the case of a deferred wealth tax, would such a painting be valued for three years at £200 and then for one year at £3,100? Con- versely, what if the Wing Commander had bought it for £3,100 and then discovered it to be only a £200 copy? The valuation appeals machinery would be running red hot.

It is for reasons like this that Denmark, Sweden and the Netherlands completely exempt works of art from the wealth tax base while in Germany and Norway—which levy a limited wealth tax on art goods—there is reckoned to be widespread under-reporting and under-valu- ation of works of art.

The fate of works of art under a *British* wealth tax, at least as recommended by the Select Committee, will be known shortly. But at the moment the *art market and the art world* are still living on their nerves.

* *An Annual Wealth Tax. C. T. Sandford, J. R. M. Willis, D. J. Ironside. Heinemann.* £6.

Detail from Titian's "The Death of Actaeon," saved from export in 1971 after the Govern- ment and public helped raise £1.76m. Under a wealth tax, at least 30 paintings of similar stature might appear on the market within five years.

LABOUR NEWS

irst £1m. allocated or saving jobs

JOHN ELLIOTT, LABOUR EDITOR

GOVERNMENT has ap- expenditure estimated to 1m. over the next six on its £10 a week tem- employment subsidy saving nearly 4,000 jobs ompanies.

compares with a total iture of £16m. on saving jobs which Ministers the scheme to cover by ugust. It also shows a ant increase in the rate lications during the past ys, for help under the

g the early weeks after eme was introduced on 18, the pace of applica- was slow. This has now ed and by last night 53 tions had been received g 6,684 workers of which ering 3,910 workers had pproved.

s seems likely, the £10 ts per worker continue full permissible period months, they will cost

scheme, aimed at alleviat- employment by providing ncial incentive for com- panies passing through only temporary problems to keep on workers they would otherwise make redundant, was originally introduced on August 18 for the assisted areas of the country only.

In his later employment measures on September 24, the Chancellor of the Exchequer ex- tended the scheme to the whole country. But so far there have been no specific applications from companies in these other areas.

Of the applications which have been approved, the North-west has the largest share, with 1,233 applications accounting for over £300,000 of the total followed by the South-west and then by Yorkshire and Humberside. The Government is refusing to re- lease any further details of the companies and workers involved.

The separate £5 a week school leavers' recruitment subsidy announced on September 24 has led to considerable initial in- terest indicating that it will lead to a large number of otherwise unemployed school leavers find- ing jobs.

ank staff survey shows onsultation' worry

OUR LABOUR CORRESPONDENT

OF THE Midland Bank's mployees are concerned consultation and promo- rocedures, according to ults of an attitude survey ed yesterday.

also favour improved benefits and working con- but in the main the carried out by MSL Relations Division, shows mpany in a favourable

than 70 per cent. of the taff in the sample were d with their lot, while 68 ent. thought that their of the company was d efficiently. In general, lt their immediate bosses able but saw the regional ad office management as emote."

than 75 per cent. came inst nationalisation of the

main issue, which will be up in discussions with the nions, is communications, 34 per cent. of staff ed as inadequate.

rding to MSL Midland taff showed no inclination s the concept of worker rs and the future nego- are expected to centre n joint consultative com- at various levels.

ands management has reacted to the disclosure per cent. of staff think that their job evaluation scheme is unfair and hat 23 per cent. don't really understand it. A new explanatory leaflet is being printed by the management, who feel that staff do not understand the scheme.

The thorny issue of union re- presentation at the bank was purposely not included in the survey at the request of the com- pany and the two unions—the National Union of Bank Em- ployees, and the Association of Scientific, Technical and Man- agerial Staffs—who are locked in bitter recruiting battles.

TUC meetings postponed

By Our Labour Correspondent

MEETINGS of the TUC general council and the Labour Party- TUC liaison committee scheduled for next week have been post- poned because several TUC leaders, including Mr. Len Murray, general *secretary*, and Mr. Jack Jones, of the transport workers, are in Mexico.

The general council will meet on Wednesday week, when the TUC delegation will have returned from Mexico, where its members are attending an International Federation of Free Trades Unions conference.

EEC starts grants for the regions

BY ROBIN REEVES BRUSSELS, Oct. 17.

THE FIRST grants from the European Community's long- heralded regional development fund were announced by Mr. George Thomson, the Brussels Commissioner responsible for regional policy, here to-day.

They *involve the distribution* of 160m. units of account (£66.7m.) towards 655 regional investment projects as far apart as Sicily and Greenland involv- ing total expenditure of 1,254m. units of account (£522.5m.).

The U.K.'s first allocation totals 21.2m. units of account (£8.8m.), all of which will go towards the Government's re- cently announced advance fac- tory building programme.

This is only a quarter of the U.K.'s 1975 fund entitlement of 83m. units of account (£34m.). Applications for the remainder, which will be distributed in December, are expected to be more of a "mixed bag."

The Community's regional de- velopment fund, after a two-year gestation period, was finally given the go-ahead by the Paris summit of EEC Heads of Govern- ment last December. It allows for a total of 1.3bn. units of account (£542m.) to be spent of the three years 1975-77, with 300m. units of account (£125m.) this year and 500m. (£208m.) in the succeeding two years. The U.K. share is set at just under 28 per cent. Italy *is the princi-* pal beneficiary with 40 per cent.

Mr. Thomson stressed that no significance could be read into the spread of projects backed by the fund in this first alloca- tion. The distribution had been wholly dictated by the wish to get the fund moving as quickly *as possible* and the *projects* had been picked on that basis. Apparently, no applications were rejected but a number were withdrawn by national Govern- ments on the advice of the Commission.

Mr. Thomson made it clear that *the politically* sensitive problem of ensuring that the EEC fund is not a substitute for national regional develop- ment efforts has been shelved for the time being. It would be at least the end of next year before criteria were established for ensuring that money becomes a "regional bonus" directed to the areas of greatest need.

In order to qualify for money from the fund, EEC Govern- ments would eventually have to submit regional development programmes which would lead to a common regional development strategy.

EEC regional policy was not just the development fund. The European Investment Bank, the Social Fund, the European Coal and Steel Community and Guid- ance section of the common farm *fund were all actively* engaged in regional development as well.

Blow to hopes of U.K. seat at talks

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, Oct. 17.

THIS WEEK'S agreement in Paris on ground rules for the *Ministerial* session of the consumer-producer "dialogue" in mid-December should make it even more difficult for Britain to achieve her aim of a separate seat at the table, say senior diplomatic sources here who have assessed the results of the Paris preparatory talks.

The new element, they say, is that the number of participants has been fixed at 27, of whom eight are industrialised countries. In announcing earlier this month that he would seek a separate seat for Britain Mr. James Callaghan, the Foreign Secretary, told his EEC partners that 27 was not a "magic number." Now, however, it is.

Allocation of eight seats to industrialised countries is on the assumption that all nine EEC countries will be represented by a single delegation. Apart from the U.S. and Japan, this leaves five hotly contested seats for other industrialised States.

Diplomats here say other in- dustrialised countries made it clear the U.K. cannot be allowed to take one of these seats, reduc- ing "spare" places to four. But if the U.K. sought to increase the number of seats, the whole agreed basis of the conference would be undermined.

They add that there are only two alternatives. Either all Nine are represented by one delega- tion, or the seating arrangements will not work and the conference will be threatened.

It would be even more difficult for the U.K. to get a seat on one of the four specialised commissions to be set up to continue the "dialogue." There will be only five seats for the industrialised world. The commissions, it is stressed here, will not work at all unless the EEC has a single delegation.

This week's preparatory meet- ing expressed the hope that the various groups of countries would decide on their repre- sentatives by mid-November.

Britain to resist milk pricing Page 10

BAKER METALS TO DISMISS 60

After closing the manufacturing side of its business, Baker Metals of Derby is making 60 men redundant. The company, hit by the car industry recession, will continue to act as metal merchants.

COMPANY NEWS + COMMENT

Mowlem sales and profit expansion

FIRST HALF 1975 pre-tax profit of construction group John Mowlem and Co. expanded from £0.79m. to £1.02m., on a turnover up from £35.55m. to £47.34m.

Stated earnings per 25p share increased from 4.18p to 7.12p.

The pre-tax profit includes a full year's results of Barclay-Mowlem Australia which indicates a satisfactory recovery from the prior year's loss resulting from the Queensland floods.

For the year 1974 group pre-tax profit decreased from £2.09m. to £1.82m.

	Half year 1975 £000	1974 £000
Turnover	47,327	36,548
Depreciation	590	511
Trading profit	830	819
Share associates	187	*27
Pre-tax profit	1,017	792
Taxation	529	509
Net profit	455	252
Minorities	6	7

* Loss.

Although the economic situation remains gloomy, the group's order book is holding up well and work executed has increased, says the chairman, Mr. E. Beck.

● comment

About one-half of John Mowlem's pre-tax profits increase of 29 per cent. is due to the upgrading of Engineering Laboratory Equipment from associate to subsidiary status and part of the remaining increase stems from an anticipated recovery at the Barclay-Mowlem associate in Australia. With the tax charge dropping from 64½ per cent. to 52 per cent., attributable profits have increased by 70 per cent. An implied 23 per cent. drop in the trading profits of the original subsidiaries, continuing the trend seen in the second half of last year, apparently reflects the cost of investing in new projects rather than unprofitable contracts. New volume in development authority building and a solid workload in civil engineering should benefit from the run-down of older price-variation contracts and pre-tax profits could return to the 1973 level of £2m. A yield of 8.4 per cent. at 78p remains at a premium to the contracting sector.

HIGHLIGHTS

Employment agencies are in the news, with mid-year reports from **Brook Street Bureau** and from **Alfred Marks**; both show reduced earnings, the later much more sharply down than the former. In engineering and construction there are interim statements from **International Combustion** and from **John Mowlem**; the first-named faces a £1m. write-off after problems in Teheran and warns that the year may end with a small loss. But Mowlem shows increased profits and reports that the order book is holding up well. Toymakers **Mettoy** turn in higher profits at mid-term but the increase did not satisfy the market and the shares closed 3p lower last night. Outfitters **Austin Reed** achieved higher turnover in the first half but rising costs have caused a turndown in profits.

Chancery Consld. growth

PRE-TAX PROFIT for the first half of 1975 of Chancery Consolidated increased from £306,000 to £351,000, and the directors forecast that, subject to no unforeseen circumstances, the current year's profit "will be at a satisfactory level." The 1974 figure was up 39 per cent. to £647,000.

Turnover for the six months, excluding banking, advanced from £5.19m. to £5.32m., and stated earnings per 10p share were up from 1.12p to 1.29p, or from 1.05p to 1.17p diluted. The interim dividend is stepped up from 0.2261p to 0.2413p net. Last year's total was 0.4671p.

	Six months 1975 £000	1974 £000	Year 1974 £000
Turnover*	5,317	3,192	8,383
Profits	351	306	647
Taxation	192	159	330
Net profit	159	147	317

* Excluding banking.

The half-year results are considered satisfactory, particularly against strict cash control which has resulted in the short term debt at June 30, 1975 (excluding deposits taken by the banking subsidiary) standing at only 26 per cent. of shareholders' funds, the directors state.

They regard the recent acquisition of Secure Homes as a material development in the expansion of its banking and ancillary activities. The company was founded over 20 years ago and specialises in the field of personal budget advisory services and savings.

First half progress for Mettoy

MAKERS OF Corgi, etc., toys, the Mettoy Company has increased its profit from £366,000 to £636,000 in the 36 weeks ended September 6, 1975.

The directors state that plans laid lead them to believe that the year's results will be satisfactory. For the year 1974 profit was £1.34m.

	36 weeks 1975 £000	1974 £000	Year 1974 £000
Turnover	12,044	11,473	17,902
Profit before tax	636	366	1,337
Taxation	330	304	653
Net profit	306	262	684
Dividends	127	127	253

Adjusting for a scrip issue, the interim dividend is held at 0.86p net which is about half the maximum allowed for the year. Barring unforeseen circumstances or a material change in the official sales, it is hoped to distribute a similar amount as a final. The 1974 final was equal to 0.73778p.

● comment

Following the 28 per cent. of first-half gain from Lesney, expenditure is a certain mark to meet. In the event a 12 per cent. pre-tax rise has left the shares 3p lower at 28p. Mettoy has also had volume problems, with the retail trade holding back on orders now that the availability of toys has improved from the panic situation of last year. Demand has since picked up, so the signs are encouraging for the second half. In the meantime, the yield of 9.7 per cent. has plenty in hand over the other toy companies.

Corinthian profit

A turnround from a loss of £365,000 to a profit of £40,000 is reported by Corinthian Holdings for the half year to June 30, 1975.

And the chairman, Mr. F. Collis, reminds holders that activity and profitability of the textile subsidiaries tend to improve in the second half. Last May a return to profitability in 1975 was indicated.

For the year 1974 profit decreased from £1.15m. to £242,235, subject to £1.1m. provisions.

As before there is no interim dividend. The last total distribution was 1.59382p net for 1973.

Despite the contraction of the deposit structure the directors continued to maintain and safeguard the banking division's liquidity in the half year.

The knitwear distribution subsidiary, Tartan McCaul, increased its level of trading, but the chairman stresses that introduction of import quotas in the U.K. must not be overlooked. On the other hand the New York subsidiary is trading well, he adds.

	Half year 1975 £000	1974 £000
Pre-tax profit	40	*348
Taxation	73	35
Net loss	33	403
Extraordinary credit	28	†4
Minorities	34	18
Investment losses	—	133
Attributable loss	41	[illegible]

* Loss. † Debit.

Loss seen by Intl. Combustion

AFTER A severe setback in the first half—profits were down from £896,000 to £162,000—International Combustion (Holdings) is expecting a small pre-tax loss for 1975, compared with a profit of £477,000 the year before.

The first half takes in losses of £350,000 arising out of the contract for the supply of a compost [illegible] Teheran. Although it is [illegible] to predict the outcome [illegible] negotiations or any litigation [illegible] this, the Board will make a further provision in the current year of around £1m. in respect of costs to completion of this contract.

	Half year 1975 £000	1974 £000	Year 1974 £000
Turnover	533	368	970
Profit before tax	162	*896	477
Taxation	212	386	629
Loss after tax	50	*510	152
Extra-ord. debits	—	—	259
Minorities	13	—	2
Applicable loss	63	†510	413

* Includes associates £142,000 (£378,000 and £97,000). † Profit.

It is not envisaged that after completion of the Teheran contract the company will undertake any further contracts of this nature.

Net loss for the year will be greater than the pre-tax because of the restricted tax relief available.

The directors are forecasting a maintained 0.65p net dividend and have declared an interim of 0.325p.

Difficulties experienced by International Combustion Africa have been largely overcome. As predicted, it reported a loss for the half-year but it is anticipated there will be a return to profit in the latter part of 1975.

● comment

The market was prepared for bad news from International Combustion, but the sheer extent of Nusoil's problems in Teheran, as revealed in the interim statement, was enough to knock 1½p off the share price to 8p, where the prospective yield is 13 per cent. and the market capitalisation £3.7m. Over half IC's £9.4m. net worth in December was represented by cash, and the need to meet what seems likely to be a heavy attributable loss and dividend payments of £300,000 by the year end is bound to put pressure on these figures. Elsewhere, excluding Nusoil losses and associate losses in South Africa, the Indian subsidiary seems to have improved its position and interest and investment income have chipped in a reliable £250,000 or so. But until current problems have been cleared up, the shares are unlikely to go anywhere, despite the support of the U.S. Combustion Engineering's 45 per cent. share stake.

Austin Reed midterm downturn

IN DIFFICULT conditions turnover of Austin Reed Group increased by 12½ per cent. to £12.63m. in the 27 weeks to August 9, 1975, partly reflecting the acquisition of the Cason business in Sweden and opening of stores in Brussels and Copenhagen since September 1974, reports the chairman, Mr. Barry Reed.

Overheads continued to rise but despite the pressures margins were reasonably well maintained. Unit sales, however, were "disappointing" and profits were therefore lower at £422,000, compared with £689,000, before tax.

Forecasting is very difficult in current conditions but the directors have "great faith" in the long term future for quality menswear both at home and abroad and the company's ability to meet the problems arising from the overall economic situation, the chairman adds. Profit for the year to February 1, 1975, was £1.51m.

An unchanged interim dividend of 0.78375p net per 25p share is declared. Last year's total was 2.18085p.

	27 weeks 1975 £000	1975 £000	52 wks. 1974-75 £000
Retail sales U.K.	6,430	6,133	16,941
Retail overseas	3,986	1,996	6,383
External trade	1,789	1,678	3,258
Total turnover	12,626	11,211	24,312
Trading profit	849	1,178	2,529
Interest	427	[illegible]	1,029
Profit before tax	422	689	1,500
Surplus prop. deals	31	248	388
Taxation	226	464	1,097
Minority	3	6	14
Pref. dividends	10	10	19
Attributable equity	206	384	982
Ordinary dividends	86	86	248
Retained	120	468	734

Strict control of expenditure coupled with lower interest rates resulted in a reduced interest charge. Benefit of the increased charges for subscription accounts will not be reflected in the profits until next year.

The limited capital expenditure undertaken has been devoted largely to increasing the potential of various existing retail branches. The only new outlet to open was Amsterdam this September.

The manufacturing companies continued to make a "most satisfactory" contribution to the results. Export sales remain especially buoyant, says Mr. Reed.

● comment

Taking out the sales contribution from the Cason acquisitions and new openings, Austin Reed's overseas sales growth drops to the 5 to 10 per cent. area. So, overseas as well as in the U.K., unit sales have fallen quite considerably, while the 39 per cent. drop in pre-tax profit underlines how hard the upper middle bracket of menswear retailing has been hit—and the picture is looking no brighter. Reed can point to plus factors for the second half such as the decreasing losses as new outlets come towards maturity, and exports of shirts are quite good, while the foreign retailing operations tend to be more profitable in the second half anyway. Even so, the U.K. retailing scene remains very difficult and Reed will do well to keep pre-tax profits above £1m. Borrowings and stocks have been held to at least December's value, but that gearing is hefty enough with net debt equalling threequarters of Ordinary shareholders' funds (less goodwill). At 34p the yield is 10 per cent.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Austin Reed ......int.	0.75	Dec. 13	0.75	—	2.19
Beaver Group ......int.	1.0	Dec. 12	0.95	—	2.33
Bishopsgate Trust ...int.	1.5	Dec. 6	1.4	—	4
Brook St. ......int.	1.17	Jan. 2	1.17	—	4.20
Chancery Cons. ......int.	0.24	Dec. 8	0.23	—	0.47
Evered Holdings ......int.	Nil	—	0.7	—	0.7
Fitzwilton	1.25(e)	Jan. 2	3.5	3.25	5.5
Goodman Bros. & Stockman	0.93	—	0.88	0.93	0.88
Imry Property	0.5	—	2.31	0.5	2.31
Intnl. Combustion ...int.	0.32(c)	Dec. 12	0.35	—	0.65
Johnson & Barnes	1.56	—	1.47	1.56	1.47
L. Lipton ......int.	Nil	—	1.0	—	2.4
Lowland Drapery ......int.	0.78	Dec. 10	0.8	—	3.15
Lowland Inv.	1	Dec. 8	0.95	1.5	1.45
Alfred Marks ......int.	1.35	Jan. 2	1.35	—	3.3
Mettoy ......int.	0.86	Jan. 2	0.86*	—	1.59
PMA Holdings	Nil	—	2.18	Nil(d)	3.05
Charles Sharpe	12.81	Dec. 9	12.17(b)	15.96	14.97
Tilley Lamp	Nil	—	2.82	Nil	3.19
E. Upton ......int.	0.75	Dec. 1	0.67	—	2.12
Willows Francis	Nil	—	Nil	Nil	0.37

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Final expected to be similar amount. (b) Including 9.37p bonus. (c) Maintained total forecast. (d) For 20 months. (e) Gross throughout.

Setback for Alfred Marks

A SUBSTANTIAL fall in first half pre-tax profits, from £430,000 to £51,000, is reported by the Alfred Marks Bureau employment agency group.

And this clearly means an appreciably lower result for 1975 than in 1974, when the taxable figure was £702,641, says chairman Mr. Bernard Marks.

However, as a measure of confidence in the future, a net interim dividend at the same previous rate of 1.35p per 10p share is declared. Last year's total was 3.3p.

Mr. Marks warned last May that the effects of inflation and reduced business levels would adversely affect 1975 results. He now explains that overall economic conditions reduced the demand for temporary office staff and affected development and profitability of the Industrial Labour Services Division, which made good profit contributions in 1973 and the first half of 1974.

However, economies have been effected which have now reduced operational costs appreciably and, since this has been achieved without any significant reduction in capacity, "we will be able to take advantage of the upturn in business which is expected next year."

Substantial investment was made in initiating and building up subsidiary activities. The new Belgian operation is now coming into profit and its activities were likely to be extended to other European countries.

After its re-organisation, Taskmasters has gained substantial office cleaning contracts and although it will continue to be loss-making for the remainder of 1975, it should make a positive profit contribution next year. Metro Cleaners is being expanded selectively.

After tax of £26,500 (£223,600) the first half net profit was £24,300 (£206,400).

● comment

Alfred Marks appears to have left its economy drive rather late and the sharp fall-off in both temporary and permanent placing which it experienced in the first six months has sent profits crashing by more than 88 per cent. pre-tax. The group has now started to trim overheads and cut back on operating costs, but this did not really get under way until the second quarter. This should lead to some reduction in the downtrend in the second six months and perhaps bring the group up to full-year profits of around £300,000. Marks is continuing with its expansion plans; money is still being invested in the dry cleaning and contract cleaning operations and, though these may still be making losses at the current year-end, the group is expecting a profitable contribution from each in 1976 when it also expects the new subsidiaries in Holland and Belgium to start showing through. This should put it on the recovery trend next year, but a return to the £702,000 level of 1974 (itself lower than the previous year), looks further away. At 26p the shares are yielding a cautious 20.6 per cent.

Overseas slump hits Brook St.

FIRST HALF pre-tax profits of Brook Street Bureau of Mayfair have fallen from £858,876 to £511,058, a result consistent with the earlier forecast of joint chairman Mr. Eric Hurst.

At the July AGM Mr. Hurst confirmed his earlier forecast that first half profits would exceed £500,000. He also then felt "at least a bit more optimistic" about the second half than his earlier prediction that results for that period should exceed those of the same 1974 half year.

He now reports that by rigid control over expenditure, group performance in the U.K. was not affected to the extent that it might otherwise have been in the prevailing climate.

Virtually all the fall in profits arose in the overseas subsidiaries, reflecting the "unusually severe" recessions in Australia and the U.S.

Mr. Hurst adds that while current reports indicate that the group situation in those countries is starting to improve, the general level of economic activity in the U.K. which is likely to remain at a low ebb for some months to come, cannot be ignored.

Neither must the pressure on margins caused by the continuous "savage" increases in general rates, postal, telephone and electricity charges, all of which bear particularly heavily upon service industries, be underestimated.

He concludes by saying that although short term prospects reflect the contemporary environment, the group's strong liquidity position renders it well placed to effect an even deeper penetration of the markets of the four components on which it operates. The group carries on a clerical and administrative staff agency.

Bearing in mind all the circumstances, it has been decided to maintain the net interim dividend at 1.173p per 10p share—in gross terms this is an increase of 3.08 per cent. The 1974 net total was 4.204p paid on profits of £1.28m.

	6 months 1975 £	1974 £
Invoiced charges	8,536,583	7,628,154
Profit	511,058	858,876
Taxation	264,020	479,780
Net profit	247,038	379,096
Extraordinary credits	13,832	*17,936
Balance	260,870	361,160
Dividend	89,654	77,492

* Debits.

Results of Hong Kong Personnel Services, a subsidiary of Westaff Pty., not incorporated. The directors consider they would not have a material effect on the group position.

● comment

On the face of it, at least, Brook Street appears to have fared better than Alfred Marks Bureau in the first six months. Profits are roughly 40 per cent. lower pre-tax and the fact that the downturn is not more serious probably reflects the cost saving measures which the group started to make last year. The U.S. and Australian subsidiaries, which were responsible for virtually all the first-half downturn have apparently shown signs of a slight pick-up but U.K. activity is getting no better and may even be deteriorating. This suggests that second-half profits may fall some way short of the first-half level and a full-year total of around £900,000 may be the most that can be hoped for. However, the group's liquidity position is still strong—cash balances are currently well in excess of the £676,000 in the last balance sheet—and the shares, at 38p yielding 17.6 per cent., seem to deserve the small premium which they have over Alfred Marks.

'FAGS' PREF.

The directors of Antofagasta (Chili) and Bolivia Railway Company have decided to pay a year's cash dividend of 3.5 per cent. on the 5 per cent. Preference stock on account of arrears. Payment will be made on January 2. After this, dividends on the stock will be two years in arrear.

Little change at C. Sharpe

FOR THE year to June 30, 1975, profit before tax of Charles Sharpe and Co., seed growers and merchants, shows little change at £765,018, compared with £757,665 for the previous year.

The final dividend is 12.81p net, lifting the total for the year from 14.97p to 15.96p.

After tax of £400,905 against £419,830 the net balance emerges; up from £337,835 to £364,113.

Lipton drops £0.2m. omits interim

L. Lipton, hirers of fork lift trucks, reports group pre-tax profit down from £218,480 to £14,587 for the six months ended June 30, 1975. Earnings per 25p share decreased from 5.08p to 0.32p.

The chairman, Mr. L. Lipton, says the results reflect a marked reduction in the number of fork lift trucks on hire due to the depressed demand from industry. There has also been a substantial fall in the market price for aluminium granules.

In the meantime the directors are ensuring that all possible economies are being made in overhead expenditure.

Although sales of second-hand trucks are holding up well they do not foresee any material degree of improvement in the second half-year and, accordingly, do not propose to pay an interim dividend, against 1p net. Last year's total was 2.4p from profits of £401,240.

	Half year 1975 £	1974 £
Sales (external)	2,083,401	1,937,368
Profit before tax	14,587	218,480
Taxation	8,000	114,000
Net balance	6,587	104,480
Dividend	—	20,343
Retained	6,587	83,837

Fitzwilton hit by interest charges

INTEREST charges of £3.40m. against £1.93m. cut pre-tax profit of Fitzwilton, the Dublin-based industrial group, from £3.46m. to £1.72m. for the year to June 30, 1975, but a tax credit of £556,000 against a charge of £1.28m. increased after-tax profit from £2.18m. to £2.27m.

Stated earnings per 25p share improved from 8.99p to 10p, but the final dividend is cut from 3.5p to 1.25p making 3.25p compared with 5.5p. No Irish income tax is deductible from the final on account of export tax relief.

The reduced dividend is recommended in view of difficult trading conditions in Ireland, particularly in the fertiliser division, as well as "the need for prudence in the present economic climate."

	1974-75 £000	1973-74 £000
External group sales	64,508	58,488
Trading profit*	3,257	4,117
Share associates	1,853	1,375
Interest	3,404	1,929
Profit before tax	1,716	3,463
Tax released	556	†1,281
Minorities	59	38
Extraordinary debits	1,136	††44
Dividends	618	310
Retained	459	1,378
Fixed assets	21,545	21,179
Interest in associates‡	6,848	7,308
Unquoted inv. at cost	490	498
Medium term loan	1,650	905
Net current assets	5,873	3,828
Total assets	35,714	32,619
Shareholders interest	17,222	18,290
Debentures and loans	13,856	11,243
Minority interests	872	1,125
State grants	414	302
Deferred tax	2,829	1,235
Future tax	423	415

*After depreciation £1.07m. (£0.94m.). † Charged. †† Credit.
‡Market value of quoted investments in associates retained £9.77m. (£3.88m.).

The balance sheet shows little change in the group's interest at cost in associates—£6.85m. against £7.31m., but the market value of quoted investments in them—mainly the Pittsburgh-based National Mine Service—has leapt from £3.88m. to £9.77m.

The balance sheet and profit and loss account reflect certain events subsequent to June 30, 1975, namely the disposal of the group's interest in New Ireland Assurance, Ulster Fertilisers and Richardsons Fertilisers, as well as the redemption at par of the 1985-90 7 per cent. debenture stock outstanding.

The value of the group's investment properties and an associated loan have been included at their open market value or anticipated net realisation proceeds.

"The credit for the release of tax reflects the benefits of export sales relief as well as allowances in respect of inflationary elements in stock in prior years."

Sir Basil Goulding will remain a director of Fitzwilton but retired as chairman following a Board meeting in Dublin yesterday. As foreshadowed, Mr. Michael [illegible] was elected chairman to [succeed] him.

● comment

Borrowings by Fitzwilton [were] £25m. last June against [share]holders' funds of £16½m. [setting] aside goodwill, which wa[s ...] the year before). But action is being taken. [New] Ireland Assurance has b[een sold] for £1.1m., and Richards[ons and] Ulster Fertilisers for £2.4m. Furthermore, a leaseback on the hea[d office] should raise £2½m. and t[he stake] in MEPC Ireland should [bring] £1½m. Overall, this [should] bring borrowings down t[o a] reasonable level, but the [group] is still heavily geared. [It is,] meanwhile, are relying [on] pharmaceuticals and the [National] Mine associate (£1.3m. [contribu]tion to profits last year [and] the stake has been increa[sed from] 20 to 27 per cent. T[he] operations remain in [...] though one of the Goul[ding fac]tories has been reope[ned and] fertiliser demand is exp[ected to] have recovered by next [year]. Meanwhile there will be [no] benefits to enjoy this [year from] fertiliser export or stoc[k relief]. It seems as if Fitzwilton [is com]ing to grips with its gea[ring but] it is not surprising tha[t] the p/e is only 3.4.

£765,103 deficit at PMA

FOR THE 20 months to [...] 1975, PMA Holdings in[curred a] pre-tax loss of £765,103 [on a turn]over of £10.27m. This [compares] with profits of £141,328 [on a turn]over of £6.23m. for the [previous] 12 months.

The loss per 25p share [is given] as 45.13p (earnings 4.[...]) [and] there is no dividend [against a] total of 3.0525p.

	1973-7[5] £
Turnover	10,370,[...]
Share assoc. profit	13,3[...]
Pre-tax loss	765,1[...]
Tax	14,[...]
Extraord. credits	226,4[...]

* Profit.

The directors say [the] group is now well place[d for the] future, the loss centres [having been] dealt with and the m[ajority] of the costs involved [now] behind, although some [...] rapidly diminishing [...]tional costs will affect the [results] of the current year.

UNIT TRUSTS

Schroder Wagg's four trusts

Four of the unit trusts in the Schroder Wagg group are on offer, including the Schroder General, the Schroder Capital, the Schroder Income and the Schroder Europe Funds. The Capital and Income Funds both have minimum investment requirements of £2,500 while the other two need a sum of about £250. The charges are 2½ per cent. initially for the two funds with the lower minimum investment requirements and ½ per cent. for the funds with the £2,500 minimum. Initial charges are waived for subscriptions of £2,500 upwards. There is an annual charge of ½ per cent. on all the funds. A share exchange scheme is available and each fund has one dealing date per week.

● comment

Since they started in the unit trust business Schroders have been rather successful at cultivating the more substantial investor, first by an appeal to the "middling rich" and now by intimating that by investing in Schroder's unit trusts the client is effectively in the position of having an august merchant bank as a financial adviser. Certainly the Schroder General, Capital, Income and Europe Funds have modest charges and performance has been good this year, particularly the Schroder General Fund, though over a 5 year period the Income Fund has done rather better.

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BARCLAYS SELECTIVE

The Selective Income Plan is being advertised by Barclays Unicorn in conjunction with the Unicorn "500" trust. This is an income plan which allows unitholders to select their own level of income varying between 1 per cent. and 10 per cent. of the original sum invested, after tax has been deducated at the basic rate. The difference between this and most schemes is that the level may be adjusted as often as the investor pleases, provided written notice is given at least 6 weeks prior to a half-yearly payment. The minimum investment is £1,000 if the income plan is used and income is paid half-yearly. The current gross yield on Unicorn "500" is 6.79 per cent.

● comment

The difference between the Selective Income Plan and the conventional withdrawal scheme is that the investor has got carte blanche to alter the rate at frequent intervals according to his change of circumstances and the performance of the fund. It clearly makes sense to raise one's income requirement at the time when the fund is doing well because "income" plans are not really income plans in the true sense of the word. What they do is to supplement the income from the fund with bites at the unitholder's capital.

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CRESCENT INTNL.

Crescent Life Assurance is advertising the Crescent International Plan which has a minimum premium requirement of £5 per month. This is an open-end unit linked plan (there is no maturity date) and the linkage is with the Crescent International Fund. The latter was launched in [...] and has increased its [...] by 55 per cent. during t[he ...] Crescent is part of the [...]based American Trust [...]

● comment

The Crescent Internat[ional] is one way of investin[g in] assurance in an [...]orientated trust which [has per]formed well since it was [...] The American Trust is [an estab]lished investment trust [...] group controls funds in [...] £80m.

Prospectus Page [...]

SCHLESINGER 'PIMS'

Schlesinger Trust Man[agers is] advertising the American [...] plan which is based on [...] American Growth Fun[d ...] is a service designed [for the] larger investor with [...] upwards and includes [...] reports and portfolio [...] every other month and [...] meetings with the [...] managers.

● comment

The American "PIMS" [is] designed for the larger [investor] who might want to put his money into the Nort[h Ameri]can market. The "PIM[S" addi]tional information se[rvice is] attractive and the man[agers re]main "strongly positive [on Wall] Street on a 2-3 year v[iew]."

Prospectus Page [...]

LAWSON HIGH YIELD OFFER

The Lawson High Yield [Fund is] on offer this week-end [with a] minimum investment req[uirement] of £100. The current [...] gross yield on the fun[d is ...] per cent. and income [is paid] quarterly. The portfolio [is split] between high-yield shares; investment trust shares; and Preference [shares]. The non-Preference secti[on of the] fund amounts to 60 per [cent. of] the £5½m. total.

● comment

The yield on the Laws[on High] Yield Fund is high enoug[h not to] need comparing with mo[st] other income funds and [a large] portion of it comes fr[om Pre]ference shares. The latter [restrict] the fund's growth pot[ential but] it has not done badly s[o far].

Prospectus Page 2[...]

M & G EXTRA

The M and G group is [offer]ing the M. and G. Ext[ra Yield] Fund which has an e[stimated] current gross yield of [...] cent. which is about 75 p[er cent.] higher than the yield on [the] Actuaries All Share Ind[ex. In]vestors who wish to put [...] or more will qualify for a [...] cent. reduction in the charge.

● comment

The M. and G. Extra Yiel[d] is a high yielder, not quit[e at the] same elevated level as [Lawson] High Yield but with [...] better growth prospects. T[he fund] is almost entirely inve[sted in] equities without any mix [of] Preference shares.

Prospectus Page [...]

Results due next week

Next week's company news list is literally packed with market leaders, five of which are constituents of the F.T. 30-share index. These are Marks and Spencer, Hawker Siddeley, Dunlop, Plessey and Spillers. Other big names include Reed International and Mothercare.

On trading grounds, analysts were going for profits of around £40m. to £42m. from Marks and Spencer's interim next Tuesday against a comparable figure of £35½m. However, this week M and S indicated that it would need to put aside another £7m. to £8m. towards its pension funds, so a downward adjustment puts expectations between £37m. and £39m. Some indications of a poor second quarter's trading were revealed when M and S announced that it was cutting back on stock levels by a tenth, but for the six months as a whole there were probably four reasonable months, and sales growth should have been over 25 per cent. However, caution is expressed by analysts over the second half and any indication of current performance would be welcome.

Shortages of components and difficulties in obtaining fully skilled staff held Hawker Siddeley's profits back last year to £45m. pre-tax against £43m. previously. The deliveries which were delayed by these factors should start to come through to profits in the current year and even though finance charges could be slightly higher following the deterioration of liquidity in 1974, full year profits this time should reach about £57m. pre-tax, with roughly half of that coming in the first six months. The interim results are due on Tuesday.

Interim profits from Dunlop on Thursday are expected to be up by a tenth to £23m. Replacement demand is the key factor, flattening out any trends in original equipment tyre sales, and on this front Dunlop should be holding its own. Other sectors, such as engineering and industrial products will have come through reasonably well at the interim stage, though the second half is expected to see some tailing-off. One factor which should enhance the performance, if only marginally, is the reduction of interest charges achieved as most of Dunlop's debt is of a variable rate nature.

The recent change in its accounting date will make any accurate comparisons of Plessey's current year profits very difficult. Nevertheless, an annualisation of the £27.3m. pre-tax which the group made in the nine months period to March 31, 1975, gives a figure of £36m. and on current indications the annual outcome this time should beat that level. Post Office cutbacks may be beginning to affect profits but the main difficulties arising out of that will probably be seen next year. The group is apparently achieving some recovery in the U.S. and order books for the radar and avionics division are still reasonably good, so a full-year profit of around £40m. pre-tax is probably a safe bet for the year with about £20m. in the first half. The interim is due on Thursday.

The material improvement in profitability forecast by Spiller's chairman at the AGM last June may well manifest itself in interim profits up from £3½m. to £5½m. The bakery division's performance is still an unknown factor but the group then indicated that there was a substantial reduction in the rate of loss. It is a matter of when exactly the recovery came, for profits from baking now seem encouraging. Interest charges will also be reduced, with perhaps a saving of £½m. at the interim stage, while milling and grocery profits are thought to have held up even if feed and meat sales have been unexciting. The interim is due on Wednesday.

The market was expecting Reed International's first quarter profits in August to reveal a downturn but the fall in pre-tax profits from £22.3m. to £8.5m. still came as a big shock. Lower volume, particularly in the paper and packaging activities, was the main culprit and this has apparently continued to depress profits in the second three months. Half-year profits of around £18m. (due on Friday) against £44.6m. last time, therefore, seem a reasonable assumption. In the third quarter so far there has been some evidence of a slight pick-up in activity but a total of £45m. pre-tax is probably the most that can be hoped for from the full year.

After a flat second half from Mothercare last year, profits growth is expected to have perked up again in the six months to end-September, which will be reported next Thursday. Sales in this period could have risen by about 23 per cent. (of which 10 points represent volume gains) and pre-tax profits by £½m. to £3¾m. However, the comparison is with a buoyant interim and the current six months, which will continue to grow, compares with a dull period so annual profits may reach £8¼m. (£7.4m.).

Other figures expected next week include the half-time profits of Tricentrol on Monday, the prelims from Dawnay Day Group and Paterson Zochonis, plus the half-year statement from Associated Biscuit are due on Tuesday. Wednesday should see the first half announcement from Harrisons and Crosfield as well as the full year profits Gomme Holdings; while Thursday is expected to bring the interim profits of Hopkinsons Holdings and UBM Group plus the final announcement from McKechnie Brothers. The interim figures from Ever Ready Co., and the finals from Pontins and J. Hepworth are due on Friday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Ben Bailey Construction	Tuesday	0.312	0.382	0.331
Hugh Baird & Sons	Friday	0.125	0.403	0.13
B. J. Baldwin	Monday	—	Nil	—
Leon Berner Group	Wednesday	Nil	0.75	Nil
British Assets Trust	Thursday	0.725	0.5	0.725
British Electronic Controls	Friday	—	0.704	—
British Industrial Holdings	Monday	0.7	0.7	0.7
David Charles	Thursday	0.623	0.65	0.623
Construction Holdings	Friday	2.1	3.35	Nil
F. Copson	Monday	—	0.551	—
Countryside Properties	Friday	1.75	2.605	Nil
Dawnay Day Group	Tuesday	0.873	0.335	Nil
Ductile Steels	Tuesday	1.298	2.407	1.447
Eleco Holdings	Wednesday	0.536	0.793	0.603
Gomme Holdings	Wednesday	1.457	3.15	1.467
J. Hepworth & Son	Friday	0.67	1.47	0.65
McKechnie Brothers	Thursday	1.0	2.224	1.0
Moran Tea Holdings	Tuesday	1.4	4.02	1.4
Myddleton Hotels	Monday	1.375	1.643	1.508
Newman-Tonks	Monday	0.7	2.07	0.7
Paterson Zochonis & Co.	Tuesday	1.292	1.907	1.4(a)
Perak River Hydro-Electric Power	Thursday	5.0	10.69	5.6
Pontin's	Friday	1.25	Nil	1.406
Second Scottish Investment Trust	Thursday	0.438	1.413	0.438
S. Simpson	Thursday	1.313	1.313	1.313
Spencer Gears (Holdings)	Thursday	0.28	0.606	0.28
Staffordshire Potteries (Holdings)	Thursday	2.158	2.420	2.188
Walker & Homer	Thursday	0.35	0.4	0.35
INTERIM DIVIDENDS				
Associated Biscuit Manufacturers	Tuesday	1.12	1.292	
Astbury & Madeley (Holdings)	Wednesday	0.206	0.568	
Ayrshire Metal Products	Wednesday	0.875	1.75	
Henry Boot & Sons	Thursday	—	6.5	
Burrell & Co.	Thursday	0.193	0.408	
Clayton Son & Co. (Holdings)	Tuesday	1.005	2.273	
Coates Brothers	Friday	0.57	1.203	
Dunlop Holdings	Thursday	1.675	1.625	
Ever Ready Co. (Holdings)	Friday	0.875	2.719	
Fidelity Radio	Thursday	0.357	2.093‡	
Geers Gross	Friday	1.46	2.76	
Gill & Duffus Group	Wednesday	1.27	3.529†	
Green's Economiser Group	Wednesday	0.989	0.959	
Harrisons & Crosfield	Wednesday	—	12.015(b)	
Hawker Siddeley Group	Tuesday	4.75	6.515	

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
Arthur Henriques	Friday	0.396	1.38	
Hopkinsons Holdings	Thursday	0.75	3.369	
House of Lerose	Thursday	1.043	1.348†	
L.K. Industrial Investments	Thursday	0.98	0.98	
Jessel Toynbee & Co.	Wednesday	0.875	2.188	
Laokro Chemicals Group	Monday	1.3	2.228	
London Brick	Thursday	0.67	1.159§	
London Trust	Wednesday	1.330	3.5	
Lyon & Lyon	Thursday	0.875	1.02	
Marks & Spencer	Tuesday	1.125	2.112	
Marshall's Universal	Wednesday	3.063	3.973	
Mothercare	Thursday	1.261	3.103	
B. & I. Nathan	Thursday	0.75	1.78	
Nineteen Twenty-Eight Investment Trust	Thursday	2.0	3.6	
W. E. Norton (Holdings)	Friday	0.3	0.22	
William Pickles	Tuesday	0.243	0.353	
Reed Executive	Monday	1.110	1.008	
Reed International	Friday	3.172	5.111	
Rugby Portland Cement	Monday	1.275	1.38	
Sabah Timber	Wednesday	0.35	0.874	
Selincourt	Monday	0.35	0.38	
Sheffield Twist Drill & Steel	Wednesday	1.52	1.54	
Sphere Investment Trust	Thursday	0.94	1.1	
Spillers	Wednesday	0.67	1.625	
Staflex International	Tuesday	1.125	1.099	
Stamwood Radio	Monday	Nil	Nil	
Steel Brothers Holdings	Thursday	3.168	4.33	
Tricentrol	Monday	0.715	Nil	
UBM Group	Thursday	1.758	2.461	
United Carriers	Tuesday	0.525	1.203	
INTERIM FIGURES ONLY				
Channel Islands & International Inv. Trust	Monday			
Emu Wine Holdings	Tuesday			
John Haggas	Wednesday¶			
Hawkins Developments	Friday			
House Property Company of London	Wednesday			
New Throgmorton Trust	Thursday			
Plessey	Thursday			
Stephen Smith	Tuesday			
Tebbitt Group	Monday			
Washington Investment	Tuesday§			

* Dividends shown net, pence per share, and adjusted for any intervening scrip issue. † Interim 0.65p already paid for current year. ‡ Second interim. § Declaration of dividend only. ¶ First quarter figures. (a) Forecast 5.6p final. (b) For six months.

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UMMARY OF THE WEEK'S COMPANY NEWS

e-over bids and mergers

nternational merchanting group Inchcape has gained control r East traders Anglo-Thai with a revised offer for the latter 1 has received the prior approval of A-T's major shareholder es House Investment Trust. However, the A-T Board, which ut up a strong defence against the original terms, was taken : by the agreement and stated that it had not been consulted y time during these latest negotiations. As well as im- ng the share-exchange terms from 17 Inchcape for every -T to a new basis of 23 for 50 A-T, each Inchcape share d is now being underwritten for 285p in cash, providing fective cash alternative of 131p per A-T share. However, as since pointed out that the Inchcape share price, having at 390p when the first offer was announced, has since fallen 0p; this values the new share-exchange at only 147p per hare (capitalising the whole equity at £30.1m.), against the al value of the old offer of 166p. EHIT is irrevocably ting the cash consideration for its 45 per cent. holding of Ordinary and also committing its 68 per cent. holding of A-T rence shares to an offer of £1 cash for each Preference. r Walker, which has a further 9 per cent. of the A-T equity, o understood to be accepting.

aced with strong opposition from Permali to its bid over- BTR has now come forth with increased offers for the r. The cash bid has been raised from 24½p to 30p for each ali share, while the share-exchange alternative now carries h element on the following basis; one BTR share plus 36p for every six of Permali, which is also currently worth or each Permali share. However, Permali has issued a er rebuff, declaring that the new terms are still "totally quate."

Marking a further rationalisation move in the British timber try, Magnet Joinery, the door and window frame manufac- s, has agreed to merge with timber merchants and importers erns-Evans. A new company is to be formed, called Magnet Southerns, which will offer seven of its Ordinary shares for five Magnet Ordinary and one share for each Southerns . On this basis, Magnet shareholders would receive 55.2 ent. of the new company's equity and Southerns the remaining 44.8 per cent. The two companies currently have a combined market capitalisation of around £39m., while the new company will have net assets of some £32m. and an annual turnover of around £80m.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
	Prices in pence unless otherwise indicated.					
Alderman Secs.	21½	20½	20	0.8	Chrtrhll Fin.	27/10
Andre Bernard	6¼*	6¼	5	0.1*	Hepmead	—
Anglo-Thai	148g	144g	102	30.3g	Inchcape	17/10
Atlas Stone	95*	96½	80	3.7*	Cie. Fn. Eternit	30/10
Bellair Cosmetics	18*d	18	16	0.1*d	Hills London Shops	—
City of Gracech'ch	27	26	30	1.9	Gen. Investors	—
City of Gracech'ch Convertible	32	28	30	0.25	Gen. Investors	—
Clifton Invs.	4½*d	12½	4½	0.15*d	Aries Hldgs.	—
Court Hotels	50*	32½	32½	1.3*	BSQ Secs.	—
Felixstowe Dock	£1.50*	130	90	5.2*	Brit. Transpt. Docks Board	—
Floreat Inv.	35.4*	48	30	0.9*	Mr. T. Buckley	—
Glouc. & Chelt Greyhounds	50*d	55	40	0.2*d	Suregain Secs.	—
Great Boulder	78½d	72	70	48.0d	Western Mng.	—
Gresham Hotel	135*	135	—	1.1*	Tunney S. Htls.	—
Harris (M. P.)	80*d	77	40	7.5*d	Grnwd. Secs.	24/10
Hothlyn Cpn. "A"	53*d	49	40	3.2*d	Mr. Abe Goldberg	—
Hothlyn Cpn. "B"	53*d	49	46	0.9*d	Mr. Abe Goldberg	—
LCP Hldgs.	54	57	46	10.0	Central Mfg.	20/10
Lincoln Corn Ex.	£10*	£10	£10	0.5*	Tripdene	—
Magnet Joinery	—	175	130	38.7e	Agreed merger	
Southerns-Evans	—	122	92½	38.7e	Agreed merger	
Nairn Williamson	120*d	117	92	5.7*d	Unilever	—
Pentland Industs.	4½*d	5	6½	0.6*d	Robt. Stephen	—
Permali	30d.	30	15	2.4d	BTR	30/10
Roberts (Chas.)	210*	205	190	1.8*	Lonrho	—
Scotia Invs.	17*d	17	20	0.6*d	Alco Metrop. Properties	—
Seaham Harbour	£26*	£5½	£3½	0.6*	Tinline Ests.	—
SA Distilleries	384d	350	380	6.2d	Oude Meester	—
Walmsley (Bury)	60*d	56	37	1.6*d	Beloit Cpn.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 17/10/75. k Based on 16/10/75. n Notional value. ‡ At suspension. † Bid.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Abrthw & Bristol	June 30	802	(242)	—	(—)
Ariel Industries	May 31	272	(284)	0.47	(0.484)
Barr Wlce. Arnld	July 31	548¶	(216)	—	(—)
Bowthorpe Hldgs.	June 30	1,610	(2,249)	0.611	(0.578)
Brit. Home Stores	Sept. 13	6,566†	(5,856)	4.012	(3.429)
British Syphon	June 30	9	(407)	Nil	(0.45)
BSG Intnl.	June 30	1,254	(251)	0.325	(Nil)
Bunzl Pulp & Ppr	June 30	7,284	(6,787)	2.305	(2.132)
Geo. M. Callender	June 30	171	(189)	0.5	(0.5)
W. Canning	June 30	495	(525)	0.44	(0.44)
Chamberlain Grp.	June 30	404	(295)	0.335	(0.335)
Collett Dickenson	June 30	221	(216)	1.267	(1.187)
Davenport Knit.	June 30	154	(137)	—	(—)
Duport	July 31	1,477	(3,341)	1.484	(1.484)
Ellis & Goldstein	July 31	966	(912)	0.75	(0.689)
Erith	June 30	420	(378)	1.7	(1.7)
Farnell Electronic	July 31	496	(445)	1.267	(1.187)
E. Fogarty	June 30	325	(104)	1.0	(1.0)
GHP Group	June 30	301	(418)	2.45	(2.45)
W. & J. Glossop	July 31	261	(205)	1.167	(1.167)
A. Goldberg	Aug. 19	425	(535)	1.103	(1.103)
Hanger Invests.	June 30	30	(35)	—	(—)
Harmo Inds.	June 30	920	(625)	0.6	(0.525)
T. C. Harrison	June 30	416	(418)	1.102	(1.102)
Hawker Marris	June 30	29	(63)	1.48	(1.39)
Norman Hay	June 30	168	(160)	0.7	(0.7)
Helene of London	June 30	221	(209)	—	(—)
Hewden-Stuart	Aug. 3	1,591	(1,277)	0.5	(0.417)
Charles Hill	June 30	147	(147)(L)	2.0	(Nil)
Hunting Assocd.	June 30	1,078	(886)	1.15	(1.077)
Joviel Properties	Jan. 31	725(L)	(251)	Nil	(1.0)
Kode Intnl.	July 11	120§	(135)	0.626	(0.586)
Legal & General	June 30	4,700(a)	(—)	1.7	(1.6)
Lesney Products	July 20	1,602†	(1,248)	0.341	(0.34)
F. J. C. Lilley	July 31	925	(754)	0.715	(0.67)
Albert Martin	June 30	142	(104)	0.84	(0.84)
Martin-Black	June 30	1,239e	(711)	1.75	(1.173)
McNeill Group	June 30	408	(171)	0.919	(0.919)
M. Mole	June 30	1	(25)(L)	—	(—)
M. F. North	June 30	6	(59)	0.243	(0.245)
Rockware Group	June 30	1,478	(573)	1.0	(0.875)
Roof Harvesters	July 31	104¶	(119)	0.67	(0.67)
Sanderson Kayser	June 30	372	(431)	1.22	(1.22)
Scottish TV	June 30	123	(60)	Nil	(Nil)
Sears Holdings	July 31	19,201	(16,213)	—	(—)
Style Shoes	Aug. 2	386(L)	(70)	—	(—)
Supra Group	May 31	162	(161)	0.313	(0.284)
UDS Group	Aug. 2	8,680	(9,260)	2.1	(2.01)
Waterford Glass	June 30	1,913	(1,745)	0.45‡	(0.4)
Wilmot-Breeden	June 30	988	(792)	0.65	(0.65)
Wire & Plastic	June 30	120	(97)	0.7	(0.6)
Yorks. Fine Woolls	June 30	17	(34)(L)	—	(—)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † For 24 weeks. ‡ Gross. § For 28 weeks. ¶ For 7 months. (a) Operating profit. (b) For 53 weeks. (c) For 18 months. (d) For 12 months. (e) Forecast profits for year in region of £2.5m. (£1.4m.). (L) Loss.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Sidney C. Banks	May 31	488	(398)	7.5	(8.2)	3.0	(2.6)
Bellair Cosmetics	June 30	66(c)	(98)(d)	1.3	(1.9)	2.08	(1.313)
Bryant Holdings	May 31	1,557	(2,302)	3.3	(5.6)	1.839	(1.724)
Glaxo	June 30	41,430	(42,600)	29.5	(31.9)	8.31	(7.387)
Highland Distills.	Aug. 31	2,111	(2,686)	7.6	(10.5)	4.7	(4.7)
Kalamazoo	Aug. 1	1,696	(1,580)	2.6	(2.4)	1.576	(1.576)
M. P. Kent	June 30	1,711	(1,765)	9.8	(8.7)	1.709	(1.583)
Lep Group	Dec. 31	3,378	(3,144)	23.8	(27.1)	2.542	(2.393)
Little Haven Farm	Mar. 31	29(L)	(11)	—	(0.1)	Nil	(0.263)
Lndn. Scottish Fin	July 29	311	(299)	3.2	(3.0)	1.7	(1.7)
Merchants' Wrhsg.	June 28	432	(314)	8.3	(6.0)	4.0‡	(3.5)
Pressac	July 31	338	(700)	3.8	(8.4)	2.188	(2.05)
Ramar Textiles	May 2	244(b)	(254)	1.7	(2.1)	0.516	(0.484)
Slimma Group	June 30	928	(803)	10.0	(8.2)	1.971	(1.847)
W. A. Tyzack	July 31	548	(397)	8.8	(5.8)	1.728	(1.583)
United Real Prop.	Apr. 5	1,301	(1,421)	3.3	(3.6)	3.55	(3.325)
Wolverhampton Di	June 30	225	(353)	2.2	(4.3)	0.7	(0.875)
"W" Ribbons	June 30	429	(430)	5.7	(4.7)	1.87	(1.75)

Rights Issues

Raybeck: One-for-one at par.

Scrip Issues

Merchants' Warehousing: One-for-one.

IDS AND DEALS

tlas offer tended

pagnie Financiere Eternit tending its offer for Atlas for a further two weeks in t of the cash offer for Atlas otal number of Ordinary accepted through the offer 78,541. Eternit now holds s acceptances for 1,012,541 enting 25.8 per cent. The sed merger is not to be ed to the Monopolies Com- n.

obranie buys onfounders

ranie Holdings has pur- d from Edinburgh Industrial gs a controlling interest nting to 87½ per cent. of the l of Longridge Investments 35,000 cash. Contracts have been exchanged for the ase by Sobranie from a sub- y of Edinburgh for £56,000 n freehold property which resently occupied under e by one of the subsidiaries ngridge. gridge and its four sub- ies carry on the business of founders and manufacturers ecision and hand tools. Pre- rofits for the year ended mber 2, 1974, were £62,000.

D FOR PADANG WA RUBBER

s Holdings, a wholly-owned liary of Akrafield, a private ester company, controlled . Alan J. Lewis, which has obtained a controlling st in Clifton Investments, is ke an offer to acquire the share capital of Padang Rubber Estate. A further ncement as to the terms e made in due course.

HURST BUYS

rles Hurst is acquiring the ss carried on by Mr. Rupert k, trading as Motor Sup- Completion will take place tober 30 and assets being red consist of premises, er with fixtures and fittings, d at £57,000, stock pro- ally valued at £47,500 and vill. Total consideration of ximately £130,000 will be ed by one payment in cash. business being carried on it of retailing motor, motor- and caravan accessories. Net profits for the past year of trading amounted to £10,348 and the benefit which will accrue as a result of the acquisition is estimated to be a profit, after charging interest, but before tax, of approximately £17,500.

Arklow Pottery link with Japan

Noritake Company, a Japanese porcelain manufacturer, will pay £113,184 for a 29.9 per cent. stake in Arklow Pottery, the Irish Industry and Commerce Minister, Mr. J. Keating said.

Noritake would provide assistance to help meet Arklow's working capital needs, and appoint three directors to its Board.

Mr. Keating also said Noritake, Arklow and Ireland's Industrial Development Authority would set up a joint venture in Ireland with an annual capacity of 4m. units of high quality porcelain tableware.

GODFREY'S

The directors of Godfrey's are in touch with several inquirers with a view to assisting the Liquidator of the BURSTON GROUP to dispose of its holding of 86 per cent. of the capital of Godfrey's.

Any transaction to which the directors are a party will be conditional upon the proper consideration of the interests of all stockholders.

CORP. GUARANTEE SALE

The liquidator of Corporate Guarantee Trust, Mr. Bernard Phillips, said he has sold 855,477 shares at 25p held by CGT in Ashbourne Investments to Topview. This transaction is to the satisfaction of the Takeover Panel and the proceeds will be payable to holders of certain charges on these shares.

DOLAN ACQUISITION

Dolan Packaging has acquired Longworth Paper and Plastics, of Manchester, for £385,000 cash. Turnover of LP for the year to September 30, 1974, was £876,000 and pre-tax profits just over £105,000. Profits for the year just ended are expected to have exceeded this figure. Net value of assets acquired is approximately £170,000.

Tea holdings reorganisation discussions

McLeod Russel and Co. and James Findlay and Company, are holding discussions which may lead to a reorganisation of the substantial shareholdings which they and their associates hold in Teith Holdings, Consolidated Teas and Lands Company, Cessnock Holdings and West Nile Holdings.

A further announcement will be made as soon as possible. McLeod Russel is being advised by Noble Grossart and Finlay by J. Henry Schroder Wagg and Co.

ELSON & ROBBINS PURCHASE

Elson and Robbins has acquired the plant, stock, tools and manufacturing rights of Hufcor Accordion Doors and Partitions, licensed previously to Stubbe Pressworks by Hough Manufacturing Corporation of Janesville, Wisconsin.

It is proposed to develop the range of manufactures. The operation is expected to add £30,000 to group profits, before tax, in the current year, it is stated.

CENTRAL PROVINCES

The offer for Central Provinces Manganese Ore by Estates and Agency has been declared unconditional and will close on October 31.

ASSOCIATES DEALS

Cazenove on October 16 bought on behalf of BTR 55,000 Permali at 30p. On October 16 they sold 1,200 BTR on behalf of an associate of BTR.

SHARE STAKES

Pentos has acquired a further 20,000 Ordinary in Concrete, making its total holding 2.18m. shares (approximately 23.44 per cent.).

Hanson Trust on October 13 was interested in 1.88m. Ordinary shares in Whitecroft (25.08 per cent.).

ECENT ISSUES

EQUITIES

Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. Amount	Times covered	Gross Yield	P/E Ratio
F.P.	—	169	136	Corn Exchange	136	.....	b1.62	2.8	5.1	5 —
F.P.	7/11	116	68	Standard G'd Min'g 20c	116pm	+1	—	—	—	—

FIXED INTEREST STOCKS

Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
F.P.	21/8	95	85	Adwest Grp. 10½% Cnv. 95/2000	95	.....
F.P.	17/10	99	97½	Bristol Water 9% Red Pref 1980	98	−1
F.P.	—	100½	98	CSR 9¼% Notes 1980	98	.....
£50	—	51½	50	City of Liverpool 13¼% Stk. 1981	51½	+¼
F.P.	5/9	102½	98	Clayton Dewandre 1¾% Deb. 90/5	102½	.....
£10	11/2	10¼	9⅛	Coventry (City of) 13¼% Red. Stck. 1980	10¼	.....
£45	5/12	46¼	44⅜	Derby Borough Council 13½% Stk. 1982	46⅛	+⅛
F.P.	9/9	100¼p	85p	Fodens 10% Cnv. Red Cum Pref.	95p	.....
F.P.	13/10	138½	116	Haslemere Est. 9½% '90-5	115	−2
F.P.	25/10	105¼	102	Hoechst 10% Guar. Ln. 1990	103½	.....
£50	9/1	51½	49⅞	Islington 13¾% Red. Stk. 1980	51½	+⅛
£50	9/1	49¾	48	Do. 14% Red. Stk. 1985/6	49	+⅛
F.P.	—	110p	94p	Johnson&Firth Brown 11.05%Cm. Conv.Prf	110p	.....
£40	22/8	69½	40½	Land Secs 10% Conv. 90/5	63½	+¼
£10	28/11	11	10⅜	Lee Valley Water 9% Red. Pref. 1980	11	.....
F.P.	26/9	108¼	97	Newcastle & Gate 9% Red. Pr. 1980	99	.....
F.P.	—	98	98	Noranda 9¾% Notes 1980	$C.98	.....
F.P.	—	98	98	Do.	$U.S98	.....
£25	25/1	27½	26	Norcros 15¼% Deb. 1990/95	26½	−¼
F.P.	—	100p	97p	Schlesinger Int. Fd. (Jersey) Part Red Pref	97p	.....
F.P.	28/11	109	100	Spirella 14% Conv. 1990	109	.....
F.P.	29/8	117½	98¼	Whitbread 11% Conv. 1995	116½	.....
F.P.	31/10	99½	98¼	York Waterworks 9% Red. Pref. 1980	99½	.....

"RIGHTS" OFFERS

Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	1975 High	1975 Low	Stock	Closing Price p***	+ or −
F.P.	22/9	30/10	132	100	BPB Ind.	128	−4
Nil	28/10	25/11	46	37	Babcock & Wilcox	40pm	−2
F.P.	6/10	14/11	67½	49	European Ferries	57	−½
Nil	30/10	28/11	14½	11½	Grand Met. Hotels	11½pm	−1
Nil	—	—	96	70	I.C. Gas	88pm	−5
F.P.	4/11	—	100	84	Ladbroke	87	−8½
F.P.	29/8	14/11	68	50½	Norcros	68	+2½
Nil	30/10	9/12	39	34	Northern Foods	34½pm	−5
Nil	—	—	48¼	41½	Peacock Sasini	41½pm	.....
F.P.	17/10	14/11	306	280	Royal Insurance	294	−6

nunciation date usually last day for dealing free of stamp duty. a Placing to public. b Figures based on prospectus estimate. d Dividend rate paid or le on part capital, cover based on dividend on full capital. p*** Pence otherwise indicated. n Forecast dividend: cover based on previous year's gs. T Figures assumed. § Cover allows for conversion of shares not now g for dividends or ranking only for restricted dividends. ** Issued by tender. red to holders of Ordinary shares as a "rights." ♥ 290 S.Afr. cents. ‡ Highs y of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in tion with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to : Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or paid allotment letters. § With warrants.

APPOINTMENTS

Comptroller and Auditor General post

Sir Douglas Henley, at present a Second Permanent Secretary in the Treasury, is to become Comptroller and Auditor General on the retirement of Sir David Pitblado on February 16, 1976.

Sir Douglas, who is 56, joined the Treasury as an Assistant Principal in 1946. He took up his present post in 1972. The salary of the Comptroller and Auditor General is £18,675.

*

Mr. James Clarke has been appointed head of group personnel at UNITED GLASS and will take over from Mr. Gerald Mozom, who will be retiring at the end of the year. Mr. Clarke joins the company from Honeywell.

Miss Pat Downs has become a director of F. W. WOOLWORTH AND CO. and is the first woman to be appointed to the Board of the company. Aged 43, Miss Downs joined Woolworth in October last year from a personnel job in the health service, but she had considerable experience in the retailing industry both at home and overseas.

*

Mr. Peter Jones has resigned as joint managing director of COMPASS SECURITIES and its subsidiary and associated companies. It is his intention to pursue his business activities independently.

*

Mr. Michael A. Edwards has been appointed director of European operations of NEPTUNE INTERNATIONAL CORPORATION, and will be based in Manchester, U.K.

*

Mr. John R. Wellings has been elected chairman of WOLVERHAMPTON BUILDING SOCIETY, succeeding Mr. T. Wesley Henn, who has retired from the Board. Mr. R. G. Willcock will continue as vice-chairman. Mr. Philip Court, the Society's joint general manager, has been appointed to the Board.

*

Mr. E. G. Spearing, group managing director of BROWN BROTHERS CORPORATION, has been appointed executive chairman.

*

Mr. R. Parry has been appointed a member of the DOMESTIC COAL CONSUMERS COUNCIL. He is employed by the Shipping and International Services Division, British Rail, Holyhead.

*

Mr. Gordon D. J. Hay and Mr. Thomas F. Humble have been appointed to the Board of DUPLE INTERNATIONAL. Mr. Alex G. Gibbins has also been appointed a director in the place of Mr. E. C. Smith who has resigned to devote himself to other interests. Mr. Frank B. Ford has relinquished the office of chairman of Duple International to concentrate on the export activities of Duple Coachbuilders. Mr. Ford continues as chairman of Duple Coachbuilders and remains on the Board of Duple International. Mr. Hay has been appointed non-executive chairman of Duple International.

*

Lord Nathan has been elected chairman of the council of the ROYAL SOCIETY OF ARTS in succession to Sir Brian Batsford.

*

Mr. H. R. Collum and Mr. M. N. F. Cottrell have been appointed to the Board of COURAGE. Mr. Collum is now financial director and Mr. Cottrell is managing director of Saccone and Speed.

*

Mr. D. J. M. Wilson has joined the Board of CHRISTOPHER GOLD ASSOCIATES as a non-executive director.

*

Mr. P. M. Gauntlett has been appointed managing director of H. F. O'BRIEN AND CO. and FREEDOM PETROLEUM.

*

Mr. Peter Robinson, managing director of the BRITISH PRINTING CORPORATION, is to become executive chairman on the retirement of Sir Charles Hardie as chairman and from the Board after the annual meeting in May, 1976.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Rally on rescue move fails

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Oct. 17.

THE LAST-MINUTE rescue operation of New York City, which teetered on the brink of financial collapse, prompted a brisk rally on the New York Stock Exchange late to-day.

But demand vanished almost as quickly as it appeared and prices closed lower. There still is some question as to whether the rescue is anything more than a very temporary solution to the city's fiscal problems.

At the close the Dow Jones Industrial Average was off 5.67 at 832.18 after veering back and forth erratically in response to developments on the New York front. Down 8.90 at 2 p.m., the index recovered almost all this loss in half an hour following news of the last-minute agreement on a $2.2bn. aid package to tide the city over the next month. But the rally did not hold.

The NYSE All Common Index fell 27 cents to $47.06 while declines led advances 853 to 487. Turnover slowed to 15.65m. shares (18.91m.).

Marion Laboratories fell $2¾ to $15¾—it expects to report lower first half earnings.

Aluminium Company of America, which lost nearly 2 points yesterday, fell another $⅞ to $35¾. It reported sharply lower earnings yesterday.

Down a point or more were IBM off $2¾ to $207½, Du Pont $1½ to $115⅞, Burroughs $1½ to $86½, Citicorp $1⅛ to 29⅞, and Exxon Corp. $1⅛ to $92.

Texasgulf with lower quarterly profits surrendered $⅞ to $28½.

Prices on the American stock Exchange declined in light trading.

The Amex index fell 0.57 to 83.38, while declines topped advances, 299 to 209. Turnover slowed to 1.41m. shares (1.62m.).

Syntex, a volume leader, lost $⅞ to $33⅞.

Canada lower

The Western Oil index was down 3.11 at 185.98 as stocks closed broadly lower in light trading on Canadian stock markets.

Industrials lost 1.51 to 173.10, and Base Metals 0.62 to 73.03, but Golds rose 1.35 to 305.84.

Utilities were down 0.51 to 120.82, Banks off 1.45 at 260.81 and Papers 0.85 lower at 104.47.

Algoma Steel continued weaker, losing $C1¼ to $C27½, while Northern Electric lost $C1 to $C25 on higher third quarter earnings.

Moore Corp., the most active Industrial, lost $C¾ to $C46.

OTHER MARKETS

AMSTERDAM—Easier in dull conditions. Trading was hesistant on the volatile dollar rate and uncertainty over the financial situation of New York.

Losses were led by Elseviers Boer and Oce, which announced lower nine-month profits.

BRUSSELS—Losses predominated after a slow and listless trading session.

Most Metals eased, with Union Miniere down B.Frs.6 at B.Frs. 1,200.

On a reduced Oil sector, Petrofina was off B.Frs.55 at B.Frs. 4,820.

COPENHAGEN—Firmer; shippings ended mixed.

VIENNA—Steady; most prices unchanged.

OSLO—Banks were fairly steady; industrials and shippings moved irregularly.

FRANKFURT—Firm in quiet trading, with Banks the only section to show losses.

SWITZERLAND—Prices maintained their recent firm undertone, closing generally very steady.

Leading Banks and Insurances improved while Allgemeine Finanz, Interfood "B" and Oerlikon-Buhrle gained in Financials.

Ciba-Geigy and Nestle Bearer rose in Industrials.

MILAN—Irregular in more active trading at the end of the monthly account. Fiat, Snia Viscosa, Montedison, Olivetti Privileged, Pirelli Spa, Assicurazioni Generali and Bastogi lost ground; Pirelli E.C., Olivetti Ordinary and Generale Immobiliare gained.

JOHANNESBURG—Gold shares were higher, although some closed below their best.

Financial Minings rose, as did Coppers, but Platinums eased.

HONG KONG—Prices rose in a moderate turnover supported by institutional buying largely from overseas.

Jardine Matheson gained 20 cents to $HK24.20.

TOKYO—Higher in busy trading encouraged by foreign buying. Volume: 230m. (200m.) shares.

Speculatives led the market, following Kao Soap up Y45 to Y610.

AUSTRALIA—Prices continued to fall amid political uncertainties.

Mines led the decline with Peko-Wallsend dropping 30 cents to $A3.80, Utah 26 to $A8.94, and BH South 10 to $A1.00. BHP fell 22 cents to $A7.02.

Pancontinental moved against the trend, rising 8 cents to $A6.0.

Indices

NEW YORK

DOW JONES AVERAGES

Close | Home Bonds | Transport | Industrials | Util. | Trading volume† 000's — [illegible]

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Oct. 17	99.36	88.58
" 16	100.14	89.77
" 15	100.00	89.28
" 14	100.09	89.28
" 13	100.25	89.46
" 10	98.91	88.21
" 9	98.16	88.37
" 8	96.72	85.94
" 7	97.32	86.77
1975 High	107.48 (15/7)	94.81 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Oct. 15 1975	Oct. 8 1975	Oct. 16 1974
Ind. Ord. yield pc	3.50	3.56	4.[illegible]
Ind. Ord. p/e ratio	11.78	11.62	8.69
Long-term Govt. Bds. per cent.	6.55	6.22	6.53

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Nat. Semicon	394,740	43⅞	−⅞
Polaroid	214,600	39⅛	−⅛
Tiger Int.	210,900	13⅛	−⅛
Citicorp	157,400	29⅞	−1⅛
Texaco	154,400	24⅞	−⅛
Archer-Daniels	131,200	37⅞	−⅛
UAL Inc.	129,200	23⅛	−⅛
Fed. Nat. Mortgage	127,200	13⅛	−⅛
Southland Corp.	119,200	24⅛	−⅛
MAPCO	114,400	41⅞	−⅛

IND. DIVIDEND YIELD p.c.

Oct. 10	Oct. 3	Oct. 11 1974
4.85	4.71	6.77

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	Oct. 17	Oct. 16	Oct. 15	Oct. 14	Oct. 13
96.30	62.20	85.38	85.95	85.87	84.15	84.48
Volume		1,410	1,620	1,920	1,650	1,200

TORONTO

INDUSTRIAL INDEX

Oct. 17	Oct. 16	1975 High	1975 Low
173.10	174.61	198.50 (15/7)	158.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Oct. 17	Oct. 16	1975 High	1975 Low
178.79	180.97	205.81 (15/7)	159.85 (2/1)

COMBINED INDEX

Oct. 17	Oct. 16	1975 High	1975 Low
175.86	177.41	195.89 (12/7)	158.06 (2/1)

JOHANNESBURG

	Oct. 17	Oct. 16	1975 High	1975 Low
Industrials	200.3	199.4	236.9 (16/7)	183.2 (23/1)
Gold	244.4	233.0	379.1 (2/1)	203.3 (10/9)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Oct. 16	Oct. 9	Oct. 2
On Dividends	6.18	6.34	6.60
On Earnings	10.27	10.51	10.99

SYDNEY ALL ORD. INDEX

Oct. 17	Oct. 16	High 1975	Low 1975
405.02	413.82	422.48 (14/10)	288.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Oct. 17	Oct. 16	High 1975	Low 1975
311.50	310.22	330.11 (2/7)	268.24 (10/1)

HONG KONG INDEX *

Oct. 17	Oct. 16	High 1975	Low 1975
316.27	313.45	341.57 (9/6)	160.42 (8/1)

SINGAPORE INDEX §

Oct. 17	Oct. 16	High 1975	Low 1975
219.46	219.10	268.69 (11/5)	155.26 (8/1)

EUROPE

	Oct. 17	Previous	1975 High	1975 Low
Belg'm (a)	92.55	90.05	111.81 (15/5)	80.0? (2/1)
Denm'k (b)	94.94	95.07	94.98 (17/10)	75.0? (15/1)
France (d)	68.6	68.9	72.? (25/4)	51.7? (2/1)
Germ'y (e)	700.2	697.5	720.1 (15/4)	575.2 (2/1)
Holland (f)	89.0	89.7	107.6 (6/6)	83.2 (2/10)
Italy (g)	75.41	76.47	108.59 (21/2)	75.41 (17/10)
Spain (h)	95.41	95.70	110.9? (22/4)	91.80 (19/9)
Sweden (c)	396.38	398.88	400.98 (9/10)	310.86 (9/1)
Switz'rl'd (m)	244.0	240.8	2??.1 (6/6)	2??.? (2/1)

Indices and base dates (all base values 100) — (a) Belgian S.E. 31/12/63 (b) Copenhagen S.E. 1/1/73 (d) Paris Bourse 1961 (e) Commerzbank December 1953 (f) Amsterdam Industrial 1970. (g) Milan 2/1/73 (h) Madrid S.E. 31/12/74 (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp 31/12/58 (u) Unavailable ф Hang Seng Bank 31/7/64. § Straits Times 1966 (c) Closed * Adjusted

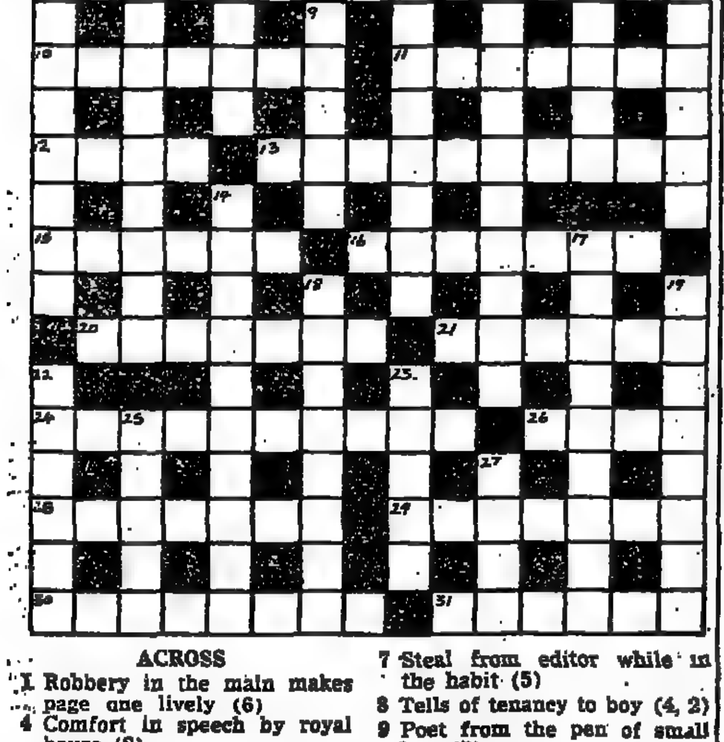
F.T. CROSSWORD PUZZLE No. 2,909

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



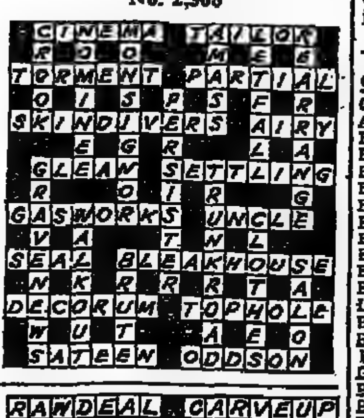
ACROSS

1 Robbery in the main makes page one lively (6)
4 Comfort in speech by royal house (8)
10 Accountant is able to get New York to go easy (3-5)
11 Undercooked portion of food (7)
12 Thin coloured coat sent to laundry (4)
13 Near thing combining style with energy (5, 3, 2)
15 Wound up company one commanded (6)
16 He doesn't believe in roast chicken (7)
20 Believer in knowledge costing something different (7)
21 Natural to disclose what pub had for dinner (6)
24 Dramatic history coming to a full stop (6, 4)
26 Blood to leave about (4)
28 Diggers find 500 eels (7)
29 Meeting to study diplomacy (7)
30 Where to find stacks of farmers (8)
31 Look like a soft fruit (6)

DOWN

1 Dickensian goes to best Scots town (8)
2 Slump is about giving up (9)
3 Opponents of the Tories (4)
5 Superior manner gang adopts to propeller (3-5)
6 Roman who wanted to borrow hearing aids (4, 6)
7 Steal from editor while in the habit (5)
8 Tells of tenancy to boy (4, 2)
9 Poet from the pen of small boy (5)
14 Think a lot of reserve shop (3, 5, 2)
17 Work out by complicated ... (9)
18 ... daughter is a difficult question for transferor (8)
19 He's sorry to make salesman compete (8)
22 Pride's different for a spinner (6)
23 Plot to make Irishman go to church (5)
25 Souvenir wheedled out of a bare licensee (5)
27 Cut for a certainty (4)

SOLUTION TO PUZZLE No. 2,903



SOLUTION AND WINNERS OF PUZZLE No. 2,903

Following are the winners of last Saturday's prize puzzle:

Mrs. Seamer, Crabbes Close, Hyde Lane, Marlborough, Wilts. SN8 1JN.

Mr. D. A. Craydon, Orchard Cottage, Underriver, Sevenoaks, Kent, TN15 0RY.

G. D. Gordon, Arnwood, Heigle Road, Alyth, Perthshire.

RACING — BY DOMINIC WIGAN

Record Run could win Champion

THE CHAMPION STAKES, over 1¼ miles, which has been run annually at Newmarket for almost 100 years, can have attracted few, if any, better fields since its initial running in 1877 than that which is due to line up at 2.20 this afternoon.

The nine runners include the mare Allez France, who if successful would take over again from Dahlia as the top European stakes winner, the three lengths "Arc" winner Star Appeal, Rose Bowl, Record Run and Ramirez.

Strong and obvious cases can be made out for Allez France and Star Appeal, but in the belief that both will be feeling the effects of the Arc de Triomphe, which probably takes more out of its contestants than any other middle-distance race in the calendar, I am taking a chance with the vastly improved Record Run.

Gavin Pritchard-Gordon's remarkable Track Spare four-year-old, who has progressed in the past two seasons from being a smart handicapper to top class international performer, is undefeated in six outings since making no show in Kempton's Rosebery Handicap on his seasonal debut in March.

Record Run, who on his last appearance defeated Roussalka with more in hand than the official half-length margin might suggest when landing the Royal Palace Plate at the Doncaster St. Leger meeting, strictly on the book ought not to defeat Francois Boutin's Ramirez, for at Deauville in August only a short head separated them at the end of the Prix Goutant-Biron. Ramirez is 2 lb better off to-day.

I believe that Record Run has made the greater improvement since that clash and will also have a slight advantage in that he is on his home course. He should win.

I shall not oppose the heavily-backed ante-post favourite John Cherry in the S.K.F. Cesarewitch (3.40). The Beckhampton four-year-old showed a fine turn of foot when forging clear of Pal's Bambino, to whom he was giving 26lb in the Gordon Carter Handicap at Ascot three weeks ago and his class should again prove the decisive factor.

That versatile performer Supreme Halo, whose allotted 8st 1lb will be reduced to 7st 12lb through Terry Cain's allowance, appeals at odds of 33-1 as a sound each-way proposition.

De Milo, a once-raced Busted filly, showed notable promise when keeping on to be a close third of 29 behind Net Call at the last meeting here and I shall be disappointed if she cannot open her account in Division II of the Snailwell Maiden Stakes. Mr. Louis Freedman's juvenile is suggested with confidence.

NEWMARKET
1.45—Tudoroy*
2.20—Record Run (e.w.)
3.00—John Cherry**
Supreme Halo (e.w.)
3.35—Monaco Melody
4.10—Cheltenham
4.40—Dr. Wall
5.10—De Milo***

CATTERICK
1.30—Washington Gal
2.00—Royal Orbit
2.40—Jamar

KEMPTON
2.00—Exhibit B
2.35—Rough House
3.10—Ronson Avenue

OVERSEAS SHARE INFORMATION

NEW YORK

CANADA

GERMANY ♦

MILAN

AUSTRALIA

TOKYO ¶

PARIS

SWITZERLAND ♦

AMSTERDAM

COPENHAGEN

BRUSSELS

JOHANNESBURG

SPAIN ♥

STOCKHOLM

OSLO ♦

VIENNA

هكذا من الأصل

FT CLIPPER RACE — BY ALEC BEILBY

GB II radios: 'Send new sails'

THE STRAIN of sailing almost continually 200 miles a day for more than three weeks and, occasionally, more than 300 miles a day, has taken its toll of the sails aboard the British yacht Great Britain II as she continues through the Roaring Forties towards Western Australia.

Skipper Mike Gill has sent a message to the yacht's base at the Joint Services Sailing Centre, Gosport, requesting that an almost complete new suit of sails, probably costing about £14,000, be found for the return voyage from Sydney to London.

Apart from these problems, which have kept members of the crew working round the clock at the sewing machine aboard the yacht, the winds, normally strong favourable westerlies, have backed into the East and the rapid progress of the yacht has been slowed as she sails close-hauled in variable winds and awkward seas.

In spite of this, she is still five days ahead of the comparable position of the clipper Patriarch on her record-breaking run from London to Sydney, 106 years ago.

Losing weight

Great Britain II is now almost due North of the Kerguelen Islands, but from this point onwards Patriarch logged more than 2,000 miles in a week and the modern yachts will now have to better 200 miles a day to beat her time of 69 days for the voyage.

The French yacht Kriter II has not reported by radio for a week and could be very close to, if not ahead of, Great Britain II.

Designed specifically as a downwind flyer, she will now be lighter as food and other stores are consumed, and her British owner Alan Smith, who chartered her for the French sponsors, thinks she could take 10 miles a day off Great Britain II in the Southern latitudes.

When last reported, she was about 150 miles astern of Great Britain II and well to the South.

While the leaders fight it out with each other, with the ocean and the ghost of Patriarch over the remaining 5,000 miles to Sydney, the Dutch yacht Great Escape and the Italian CS e RB II are approaching the Southern Ocean.

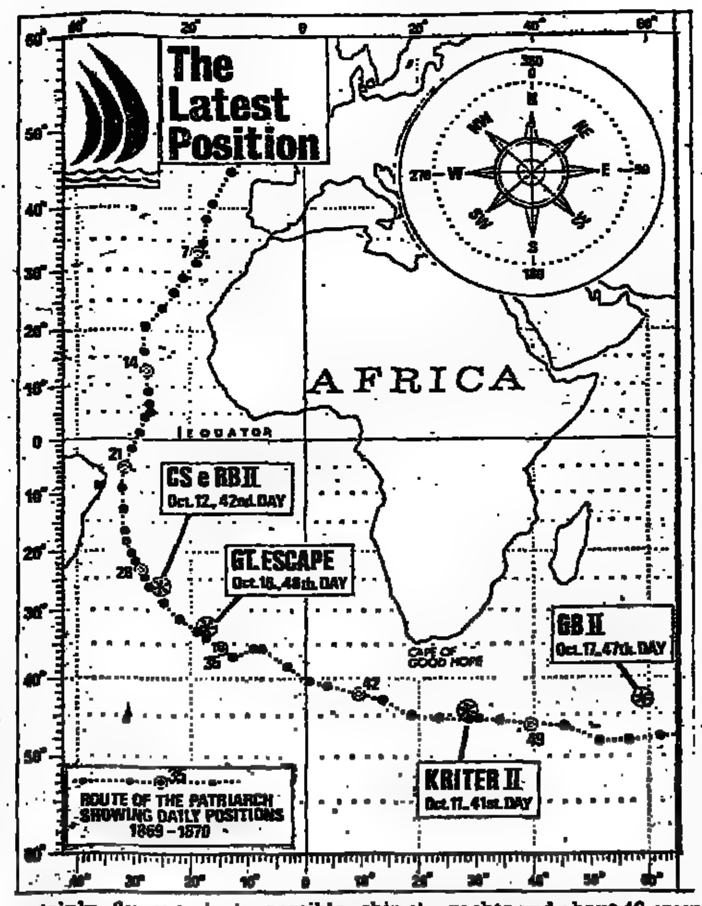
Cash problem

In Australia, plans are in hand for a race, sponsored by City Ford, of Sydney, between the Clipper Race contestants and other maximum-sized yachts already in Australia for the Southern Cross Cup.

As if to add further international spice to the Christmas sailing scene in Sydney, the Royal Ocean Racing Club announced in London yesterday that Ron Amey's yacht Noryema, named yacht of the year last month, will be shipped to Australia to defend the Southern Cross Cup which was won by a British racing team two years ago.

No decision has been reached regarding the other two yachts needed to make up a full team of three, but while three crews will certainly fly out, it is possible that the other two yachts needed may be chartered in Australia.

Raising the necessary funds to ship the yachts and about 40 crew to Australia and back remains a problem, but at least some of the money has already materialised.



NEWS FROM THE MOTOR SHOW

Vauxhall, Leyland win coachwork awards

BY PETER CARTWRIGHT

LEYLAND and Vauxhall were among the award winners in the coachwork competition organised by the Institute of British Carriage and Automobile manufacturers at the Earls Court Motor Show. The competition covers good design in its widest sense, including finish, comfort, spaciousness, convenience and safety.

Leyland Allegro and Marina models won four gold medals in the family car categories, and the Princess and Triumph Spitfire won two more.

Vauxhall's Viva E Coupe, announced last month, won a gold and Chevette L a silver medal, being placed second in its class.

German cars buy U.K. seat belts

SEAT belts for all Volkswagen and Audi cars sold in Britain are to be supplied by Toric Accessories International in a contract worth £1m. Next year, more than £20m. worth of British made components will be bought for VW and Audi cars.

The seat belt is the award-winning, buckle-less Toric T74 inertia system claimed to be one of the easiest to use. To "belt up" the wearer simply pulls the webbing across his body and clips it under a central steel clip. The webbing retracts instantly on pressing a button.

£½m. safety campaign

THE DEPARTMENT of the Environment has launched a £588,000 publicity campaign to reduce child pedestrian casualties on the roads. More than 8m. leaflets are being distributed by road safety officers to coincide with the opening of the campaign and will go to parents through schools, nurseries, libraries and welfare centres.

There will also be a television campaign between October 20 and November 23 urging the need for more effective teaching of the Green Cross code.

Child pedestrian casualties last year totalled 33,055 and 505 children were killed—a fall of 9 per cent. in casualties and 16 per cent. in deaths. There was an 11 per cent. fall in the number seriously injured.

New Lotuses win £5½m. export orders

Lotus Cars yesterday announced "unprecedented reaction" from home and export markets for its new range of models at the Earls Court motor show.

The company said that the £8m. worth of orders it had received since the launch of its new models last week included £5.5m. in export sales.

Lotus was also among yesterday's medal winners for coachwork with a Gold for the Esprit and a silver for the Elite.

Lotus also confirmed the appointment of importers in Canada and Australia and of J. A. Swift (Longton) as main dealer in the Stoke area and the addition of eight U.K. dealer appointments to the Lotus network in the next four weeks.

COMMODITIES/Review of the week

Cocoa price rise continues

BY OUR COMMODITIES STAFF

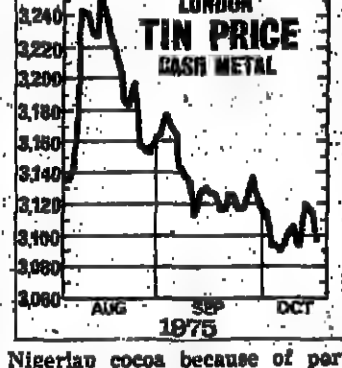
COCOA VALUES finished higher on the London terminal market this week in response to a bigger-than-expected West German consumption figure and concern over Nigerian port congestion.

After rising steadily all week, values fell yesterday as a result of profit-taking, but the strong undertone reasserted itself and the March position closed only £1 down on the day, at £638.5 a tonne, £29.75 higher on the week.

At 29,990 tonnes, West German third quarter grindings were only 1 per cent. lower than the figure for the corresponding quarter of last year, against market predictions of a 10-15 per cent. fall. This prompted a further rise in prices, an indication of the "bullish" undertone of the market which was further illustrated by the marginal reaction to disappointing U.S. and U.K. grinding figures announced in the previous week.

The U.S. Commerce Department said yesterday that third quarter cocoa grindings totalled [illegible]m. lbs, down 4.5 per cent. on the 1974 third quarter. This compares with a 3.7 per cent. decline indicated by the U.S. Chocolate Manufacturers' Association last week.

The strength of the market was attributed to rumours of a massive increase on shipments of Nigerian cocoa because of port congestion in Lagos.



The firm trend was encouraged by news that the NPMC Board had been dissolved pending a study of the marketing board system.

After trading in a narrow range during the early part of the week London coffee values moved up sharply on Thursday and Friday, the January position ending £16.5 higher on the week, at £749.75 a tonne. The move came, despite an almost total absence of fundamental news, and was generally attributed to renewed interest from U.S. roasters, backed by chartist buying.

Expectations of a further substantial rise in LME warehouse stocks of copper hit prices yesterday, cash metal falling £6 during the day, to £565.75 a tonne, £14.5 below last Friday's closing level. Trade buying cushioned the fall in prices for much of the week, but dealers said there was no sign of this yesterday.

The "bearish" mood of the market was also encouraged by a report published by Amalgamated Metal Trading, which estimates that stocks of refined copper in the Western world could rise to 2.3m. tonnes in 1975 and to 3.2m. by the end of 1978.

The cash tin price fell £16, to £3,096.5 a tonne, yesterday to end the week £11 down, on balance. There was no sign of buffer stock buying, despite the fact that prices moved well below the level at which the buffer stock manager had been operating earlier in the week.

Zinc was the only metal to end higher on the week. LME prices moved up as other producers followed Cominco of Canada's lead in raising the European price from £360 to £390 a tonne. Metallgesellschaft yesterday joined the list of companies to have done this. Cash metal yesterday eased £0.5 to £344.25 a tonne, to end the week £2.75 higher.

After a featureless week, cash lead closed £2.25 down on balance, at £167.75 a tonne.

WEEKLY PRICE CHANGES

[illegible]

MARKET REPORTS

BASE METALS

COPPER—Ended the week on an easier note on the London Metal Exchange. Forecasts of yet another increase in the already record warehouse stocks figure, coupled with a lack of the recent trade buying [illegible]

[illegible]

SILVER

[illegible]

RUBBER

[illegible]

COCOA

[illegible]

SOYABEAN MEAL

[illegible]

COFFEE

[illegible]

SUGAR

[illegible]

GRAINS

[illegible]

FREIGHTS

Great Lakes to Antwerp/Hamburg at $14.50 f.i.o. with completion of loading at St. Lawrence at $7.50 for Oct./Nov.

Ore shippers covered a cargo from Seven Islands to U.S. Northern Range at $1.30 f.i.o. for Oct. and from Port Elizabeth to Tarragona and Fos at $18.25 f.i.o. for Oct./Nov.

OIL TANKERS—Fairly active in terms of inquiry from the U.S. for West African oil but few fixtures. [illegible]

Feed barley—Lancashire £61.10; Kent £60.75.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, steady. Close: Nov. 64.90, Jan. 67.65, March 69.55, May 70.10, Sept. 67.60. Business: Nov. 64.80-64.90, Jan. 67.05-66.90, March 69.60 only, May 70.25-70.10, Sept. 66.00-67.65. Barley, barely steady. Close: Nov. 63.55, Jan. 65.65, March 67.70, May 69.65, Sept. 66.25. Business: 64.00-63.55, Jan. 66.25-66.05, March 68.00-67.70, May [illegible]

[illegible]

MEAT/VEGETABLES

[illegible]

WOOL FUTURES

[illegible]

JUTE

[illegible]

FINANCIAL TIMES — REUTER'S — DOW JONES — MOODY'S

[illegible]

U.S. Markets

New York worry lifts bullion

NEW YORK, Oct. 17.

PRECIOUS metals closed higher buoyed by speculative concern over a possible New York city default. Grain futures closed lower on commercial hedge selling and speculative liquidation, while cocoa, copper and sugar declined under the weight of trade selling. Coffee, however, reversed the general downward trend as prices rallied on trade buying, Bache reports.

Cocoa—Ghana spot unquoted (same). Bahia 62½ (64). Dec. 59.50 (61.05), March 56.20 (57.00), May 54.20, July 52.55, Sept. 51.55, Dec. 50.70, March unquoted. Sales: 1,005.

Coffee—Spot Santos No. 4 unquoted (same). Colombian Mams unquoted (same). "C" Contract: Nov. 80.80-81.00 (80.37), Dec. 81.00-81.85 (81.37), March 81.10-81.30, May 81.20-81.75, July 82.10-81.65, Sept. 82.60-83.60. Sales: 181.

Copper—Oct. 53.40 (54.00), Nov. 53.60 (54.20), Dec. 54.10, Jan. 54.70. Sales: 1,368.

Cotton—Dec. 53.05-53.10 (53.67), March 54.35-54.40 (55.14), May 55.10-55.15, July 5.50-55.60, Oct. 5.40-55.50, Dec. 55.60, March 55.70-55.80. Sales: 3,261.

Gold—Oct. 144.90 (143.00), Nov. 145.50 (143.40), Dec. 146.10, Feb. 148.20, April 150.40, June 152.60, Aug. 154.90, Oct. 157.20, Dec. 159.40, Feb. 161.60. Sales: 1,642.

Greasewool—Spot 155.0 nom. (same). Dec. 152.0 bid (152.0), March 144.0-145.0 (144.0), May 142.0-148.0, July 143.0-149.5, Oct. 140.0 bid, Dec. 137.0 bid, March 134.0 bid.

[illegible]

This week's SE dealings

Friday, October 17	7,767	Wednesday, October 15	7,200	Monday, October 13	6,273
Thursday, October 16	5,862	Tuesday, October 14	5,268	Friday, October 10	4,844

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ◆ Bargains done previous day. §-Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mc—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (746)

[illegible]

PUBLIC BDS., ETC.—U.K. (28)

[illegible]

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (17)

[illegible]

COMMONWEALTH CORPN. STOCKS (—)

FOREIGN STKS., BDS., ETC. (6)

[illegible]

U.K. AND COMMONWEALTH RAILWAYS (2)

[illegible]

FOREIGN RAILWAYS (3)

[illegible]

BANKS & DISCOUNT COS. (488)

[illegible]

Lloyds Bank 2380 400 30 6 28 31 2 28 7 3. 7¼pcLn. 91½
Lombard North Central 5pcPf. 30 (15/10)
Mercury Securities (25p) 1360 4
Midland Bank 279 80 78 84 1 75 3 70½ 63½ 73½ 7 85 70 81½ 6 2 78½ 4 53 72. 10¼pcLn. 72½0 40. 7½pcLn. 82½
Minster Assets (25p) 45½0 7 ¼ 6
Morgan (J. P.) Inc. Shs. of Com. Stk. ($US2.50) $US 55 (15/10)
National Bank of Australasia (London Reg.) ($A1) 255◆
National Commercial Banking (25p) 65 4 6½ 7. 11pcPf. 72 (13/10)
National Westminster 242 38 7 40 34 5 45 33. Warrants 85◆ 5 2 3. 7pcPf. 53 50 2½ 2. 8¼pcLn. 80 ¼ ¾ (15/10). 9pcLn. 65◆ ½ 5 (16/10)

INT. BANK STOCK (—)

CORPN. & COUNTY—U.K. (70)

[illegible]

Newcastle-upon-Tyne 5¼pc 66½◆ (16/10). 5pc 98 (14/10). 9¼pc 1978-80 88 (14/10)
Nottingham 6pc 88¾ (15/10). 6¼pc 84½ (14/10)
Oldham 4pcDb. 23¾ 41½ (13/10)
Portsmouth 3½pc 62 (16/10)
Salford 3½pc 49½
Slough 5¼pc 84½ (13/10)
Somerset Cnty. Cncl. 5pc 98¼ (13/10)
Southampton 7¼pc 98
Staffordshire Cnty. Cncl. 9¼pc 97¼ (16/10)

BREWERIES & DISTILLS. (224)

Beechwood Construction (10p) 17½◆ 18 17
Beeston Foundry (50p) 40 (14/10)
Belam (10p) 116◆ 13
Belgrave (Blackheath) (25p) 200 20◆ (16/10). 7pcPf. 27◆ (16/10)

[illegible]

CANALS & DOCKS (7)

[illegible]

COMMERCIAL, INDUSTL. (4,826)

A—B

[illegible]

C—D

Cronite (25p) 26½ (15/10)
Cropper (J.) (25p) 25 (15/10)
Crosby House 105
Crossland (R. A. G.) (5p) 13◆ (16/10)
Crossley Building Products (25p) 52◆ 2 ½ 50◆

[illegible]

E—F

[illegible]

G—H

Grampian TV NV A (10p) 74 (15/10)
Granada Gp. A 25◆ 71◆ 69
Grand Metropolitan (50p) 61½ 2 60½ 3 1 2½. New (50p) 10◆ 11½ 12 11 12½ 10½ ½ 11½ 10½ ¾ 12½. Wrrts. 30. 5¼pcPf. 41½ (13/10)

[illegible]

I—J—K

[illegible]

L—M

[illegible]

N—O—P

[illegible]

Pearson Bros. 277◆ 5 2 69 70 2½ 68. 7pc2ndDb. 47½
Plaxton's (Scarborough) (25p) 73 1 2 70 2½ 1½ (16/10)
Plessey (50p) 71◆ 2◆ 70◆ 2½◆ 1½◆ 3◆ 1 70 69½ 8 73 68 9½‡
Plysu (10p) 34 1 (13/10)
Polymark Intl. (10p) 22 (16/10)
Pontin's (10p) 27◆ 6 ¼ 7 6½ 7½. 7pcLn. 85 (16/10)
Poole (Thomas) and Gladstone China (5p) 4¼
Pork Farms (10p) 125 (16/10)
Portals Hldgs. (25p) 130◆ 1◆ (16/10). 8pc Ln. 95 (15/10)
Porvair (25p) 14
Powell Duffryn (50p) 126◆ 2
Pratt (F.) Eng. Cpn. (25p) 48. 8pcLn. 58
Preedy (Alfred) (25p) 33 (13/10)
Press (William) (5p) 32◆ 3◆ 2½‡ 1½ ½◆
Pressac Hldgs. (10p) 23◆ 4½ 5½.
Pride Clarke (25p) 110◆ 14
Priest (Benjamin) (25p) 48◆ (16/10)
Primrose Industrial (R0.10) 191◆
Pritchard Services (5p) 15 14½ 14 (16/10)
Proprietors of Hay's Wharf 78◆ 80◆. 6pc Db. 65 (13/10)
Pullman (R. J.) (5p) 56◆
Pye Hldgs. (25p) 44 5
Pyramid Grp. (10p) 22 (16/10)

Q—R—S

Queen's Moat Houses (5p) 7½. 5pcPf. 14 (14/10)
Quick (H. J.) (5p) 16◆

RCF Hldgs. (25p) 23 (16/10)
RFD Grp. (10p) 19½◆ ¼
Racal Electronics (25p) 184 3 2. 6pcLn. 260 (15/10)
Raine Eng. (10p) 16½
Rakusen Grp. (10p) 14◆ (16/10)
Raleigh Industries 6pcDb. 61 (14/10)
Ramar Textiles (5p) 5◆ ½
Randall (J. L.) (10p) 32 30

[illegible]

Stanneylands Gp. (10p) 25 [illegible]
Status Discount (10p) 34 ½ [illegible]
Staveley Indust. 106◆ 70. 7½pc 91) 43½ (13/10). 7½pcLn. 43
Stead Simpson A (25p) 28◆ 8. 25 (15/10)
Steel Bros. Hldgs. (50p) 262◆
Steetley (25p) 107 8 (14/10). 78½ (15/10)
Steinberg Grp. (10p) 13
Stephen (John) of London (5p) [illegible]
Stewart Plastics (25p) 56◆
Stigwood (Robert) Grp. (10p) 2[illegible]
Stocklake Hldgs. (25p) 18 (14/1[illegible]
Stoddard (Hldgs.) (25p) 29 [illegible] (25p) 29 8½ (16/10)
Stonehill Hldgs. (25p) 70½ 1 7[illegible]
Stone-Platt Industries (25p) 77◆ ½ 6‡
Storey Brothers (25p) 51
Stormgard (10p) 20
Stothert and Pitt 78◆ 6½◆ 90
Strong and Fisher (Hldgs.) 8½ (16/10)
Sturla (George) and Son (10p) [illegible]
Stylo Shoes (25p) 18
Sumner (Francis) (Hldgs.) (10p) [illegible]
Surrie Clothes (20p) 24
Sunlight Service Grp. (10p) 18
Swears Grp (10p) 20½ 20
Sutcliffe, Speakman (25p) 37[illegible]
Syltone (25p) 44 (13/10)

T—U—V

TACE (10p) 18½ (15/10)
TCK Grp. (25p) 99◆
Tatbex Grp. (5p) 8½
Tarmac (50p) 162◆ 1½◆ 88◆ 60 59. 8¼pcLn. 98½◆ 6½ [illegible]
Tate and Lyle 229½◆ 6◆ 5 1 20. 5½pcDb. 58¼. 7½pcDb. 53
Tate of Leeds (25p) 15 (13/10)
Taylor Woodrow (25p) 284◆ 2◆
Tecalemit (25p) 29½ 9
Telefusion (5p) 25 (16/10). A (5p) 25 (16/10)
Telephone Rentals (25p) 92◆

هكذا من الأصل

هكذا من الأصل

[illegible]

ELEC. LIGHTING & POWER (6)

[illegible]

FINANCIAL TRUSTS, ETC. (134)

[illegible]

GAS (96)

[illegible]

INSURANCE (26)

[illegible]

INVESTMENT TRUSTS (351)

[illegible]

W—Y—Z

[illegible]

IRON, COAL & STEEL (25)

[illegible]

UNIT TRUSTS (1)

[illegible]

MINES

Australian (5)

[illegible]

Miscellaneous (60)

[illegible]

Rhod. & E. African (7)

[illegible]

South African (86)

[illegible]

SHIPPING (65)

[illegible]

West Africans (5)

[illegible]

Diamond (11)

[illegible]

OIL (295)

[illegible]

TRAMWAYS & OMNIBUS (1)

[illegible]

TEA & COFFEE (14)

[illegible]

WATERWORKS (8)

[illegible]

PROPERTY (133)

[illegible]

SPECIAL LIST

[illegible]

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

[illegible]

RUBBER (33)

[illegible]

(By permission of the Stock Exchange Council)

NEW HIGHS AND LOWS FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new highs and lows for 1975.

NEW HIGHS (31)

AMERICANS (3)
Bendix Woolworth
Intnl. Hldgs.

BANKS (1)
Minster Assets

BUILDINGS (5)
Anglo Am. Asphalt Nott. Patent Brick
Galliford (B.) Southerns-Evans
Marshalls (Halifax)

CHEMICALS (1)
British Tar Prods.

STORES (1)
Samuel (H.) 'A'

ENGINEERING (4)
Auto-Oil Ratcliffs (Gt. Bridge)
Procor 11¼pc 93-98 Spirax-Sarco

FOODS (2)
Batleys of Yorkshire Robertson Foods

INDUSTRIALS (7)
Ciro Hldgs. Norcros
Initial Services Valor
McBride (R.) Do. Dfd.
Maynards

INSURANCES (1)
Stenhouse

MOTORS (1)
Armstrong Eqpt.

PAPER, PRINTING (1)
McCorquodale

SHIPPING (2)
Felixstowe Dock Ocean Transport

TEAS (2)
Cons. Tea & Lands West Nile

NEW LOWS (5)

BRITISH FUNDS (1)
Treas. 13¼pc 1997

AMERICANS (1)
Brunswick

INDUSTRIALS (1)
Lipton (L.)

SHIPPING (1)
Jacobs (J.)

MINES (1)
Geevor

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	—	49	6
Corpns. Dom. and Foreign Bonds	1	32	38
Industrials	209	476	1,051
Financial and Prop.	52	211	336
Oils	5	13	15
Plantation	5	6	37
Mines	42	33	78
Recent Issues	7	22	29
Totals	321	851	1,580

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
ICI	£1	20	287	−7	302	118
Midland Bank	£1	20	280	−10	305	122
Barclays Bank	£1	16	293	−9	325	112
Shell Transport	25p	15	358	−6	365	118
BP	£1	13	593	+3	593	190
EMI	50p	13	220	−3	226	62
"Bats"	25p	12	310	−3	338	164
Dunlop	50p	12	63	—	62	17
GEC	25p	12	125	−3	133	51
Unilever	25p	12	390	−8	408	170
Boots	25p	11	125	−4	138	45½
A.P. Cement	£1	10	179	−3	182	64
B'ck & W'cx 'New'	Nil/pd.	10	40*	−2	46*	37*
Grand Met. 'New'	Nil/pd.	10	11½*	−1	14½*	11½*
IC Gas 'New'	Nil/pd.	10	88*	−5	96*	70*

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

* Premium.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price(p)	Change on week	1975 high	1975 low
ICI	£1	95	287	−1	302	118
Shell Transport	25p	79	358	—	365	118
Barclays Bank	£1	64	293	−5	325	112
Royal Ins. 'New'	Fly/pd.	64	294	+6	306	280
BP	£1	62	593	+21	593	190
B'ck & W'cx 'New'	Nil/pd.	61	40*	−1	46*	37*
EMI	50p	58	220	+7	226	62
Grand Met. 'New'	Nil/pd.	56	11½*	−2	14½*	11½*
Midland Bank	£1	54	280	+3	305	122
IC Gas 'New'	Nil/pd.	53	88*	+2	96*	70*
"Bats"	25p	50	310	−1	338	164
Dunlop	50p	50	62	+7	62	17
Distillers	50p	47	116	−2½	150	65½
Southerns - Evans	25p	46	125	+36	125	31
Glaxo	50p	44	335	−30	427	198

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Sep. 30	Oct. 13	Dec. 23	Jan. 7
Oct. 14	Oct. 27	Jan. 8	Jan. 22
Oct. 28	Nov. 10	Jan. 22	Feb. 5

"Calls" were arranged in Swan Hunter, National Westminster Warrants, John Brown, Lonrho, Howard Machinery, Inchcape, Capital and Counties, Cavenham Warrants, Croydex, Burmah Oil, Charterhall, British Land, GEC and Berry Wiggins. *GRA Property Trust* were dealt in for the "put," while double options were transacted in Slater Walker, Consolidated Gold Fields, National Westminster Warrants, Charterhall, British Land and Dunlop.

Industrials							
		Grand Met.	7	Slater Walker	9		
		G.U.S. 'A'	17	Spillers	5	Mines	
A. P. Cement	15	Guardian	20	Tesco	6	Anglo Amer.	50
Assoc. Leisure	5	G.K.N.	22	Thorn "A"	17	Broken Hill Prp.	75
Barclays Bank	25	Hawker Sidd.	27	Tube Invest.	24	Charter Cons.	22
Beecham	26	House of Fraser	8	Unilever	36	Chart'rh'll Fin.	10
Boots Drug	12	Hudson Wlims	4	Utd. Drapery	10	Cons Gold	22
Bowaters	16	I.C.I.	21	Vickers	13	De Beers Def.	35
B.A.T.	30	"Imps"	7	Woolworths	6	F.S. Geduld	350
British Leyland	7	I.C.L.	7			Great Boulder	12
BOC Int.	5½	Inveresk	7	Property		Hampton Areas	15
Burton 'A'	9	Legal & General	13	Cap. Counties	4½	Hampton Prop.	4
Cadburys	6	Lloyds Bank	22	E.P.	8	Kloof	140
Courtaulds	12	"Lots"	5	Int. Europe	6	Lonrho	13
Debenhams	8	"Mams"	6	Land Securities	18	Loraine	66
Distillers	15	Marks & Sp'ncer	11	Peachey	6	Metals Explor.	8
Dunlop	5½	Midland Bank	25	Town & City	4½	Poseidon	56
Eagle Star	15	Nat'l West.Bank	22	Town & Comm.	4	Pres. Steyn	275
E.M.I.	17	P & O Dfd.	10			Rio T.Zinc	20
First National	2	Plessey	6	Oils		Welkom	55
G.R.A. Trust	4	R.H.M.	6	Brit. Petroleum	46	West Areas	75
Gen. Accident	16	Rank Org. 'A'	17	Burmah Oil	5	Western M'ng.	18
Gen. Electric	15	Reed Int'l	25	Shell	30	Zambian Copp.	10
Glaxo	40			Ultramar	21		

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%	—	£	Year
Barking (01-592 4500)	13	½-year	1,000	2-5
Barnsley (0226 3232)	12	½-year	250	2
Barnsley (0226 3232)	12½	½-year	250	3-5
Burnley (0282 25011)	12½	½-year	1,000	3-5
Erewash (06072 3361)	12	½-year	1,000	2-5
Greenwich (01-854 8888)	12½	½-year	500	3-5
Haringey (01-889 3131)	12¾	½-year	2,000	4-5
Haringey (01-889 3131)	13	½-year	10,000	4-5
Islington (01-226 1234)	12¾	½-year	5,000	4-7
Knowsley (051 548 6555)	12¾	½-year	5,000	3-5
Liverpool (051 227 3911)	12	½-year	500	3-4
Liverpool (051 227 3911)	12½	½-year	500	5-7
Oldham (061 624 0505)	12½	½-year	500	3-5
Oxford (0865 49811)	12½	½-year	5,000	3-5
Redbridge (01-478 3020)	12½	½-year	1,000	3-5
Sandwell (021 569 2226)	12	½-year	1,000	2-5
Sutton (01-642 6060)	12½	½-year	500	3-5
Thurrock (0375 5122)	11½	½-year	300	1-2
Wandsworth (01-874 6464)	12¾	½-year	5,000	4-7
Wandsworth (01-874 6464)	12½	½-year	1,000	4-7
Wrekin (0952 3571)	12½	½-year	2,000	2-5

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Variable Term Shares
...ey National	6.75%	7.00%	8.25%	●8.00%
...ance	6.75%	7.00%	8.25%	‡‡7.75%
...lia	6.75%	7.00%	8.25%	‖7.75%
...ningham Incorporated	6.75%	7.00%	8.25%	—
...dford and Bingley	6.75%	7.00%	§8.25%	—
...stol and West	6.75%	7.00%	8.00%	—
...stol Economic	6.75%	7.00%	8.25%	†7.25%
...diff	6.75%	7.50%	8.50%	—
...lsea	6.75%	7.00%	9.00%	†7.25%
...ltenham and Gloucester	6.75%	7.00%	—	‡7.75%
...zens Regency	6.75%	7.25%	8.75%	—
... of London	7.00%	7.50%	8.25%	—
... and Metropolitan	6.75%	7.25%	7.50%	¶8.00%
...entry Economic	6.75%	7.00%	8.75%	§§7.75%
...eway	6.75%	7.00%	8.25%	¶7.75%
...enwich	6.00%	7.10%	8.50%	—
...ardian	6.75%	7.25%	7.50%	★7.65%
...ifax	6.75%	7.00%	7.50%	¶7.75%
...tings and Thanet	6.75%	7.00%	8.25%	—
...arts of Oak & Enfield	6.75%	7.25%	8.50%	—
...ndon	7.00%	7.30%	—	*8.05%
...ddersfield and Bradford	6.75%	7.00%	8.50%	♡7.75%
...amington Spa	6.87%	7.12%	9.50%	7.50%
...ds and Holbeck	6.75%	7.00%	8.25%	—
...ds Permanent	6.75%	7.00%	8.25%	—
...k Westbourne and ECBS	6.75%	7.00%	8.25%	¶¶7.75%
...cester	6.75%	7.00%	8.25%	††7.75%
...erpool	6.75%	7.00%	8.30%	*7.50%
...gnet	6.75%	7.00%	7.75%	♡7.75%
...mington Permanent	6.45%	7.65%	—	—
...tional Counties	7.00%	7.25%	8.25%	◇7.75%
...tionwide	6.75%	7.00%	7.50%	♧8.25%
...wcastle Permanent	6.75%	**7.00%	7.75%	8.00%
...rthern Rock	6.75%	7.00%	8.00%	‡7.75%
...rth London	7.75%	8.25%	—	♧9.15%
...rwich	6.75%	7.00%	8.25%	—
...sley	6.75%	7.00%	7.50%	¶¶7.50%
...operty Owners	6.75%	7.50%	8.50%	†7.85%
...ovincial	6.75%	7.00%	8.25%	7.75%
...pton	6.75%	7.00%	7.25%	—
...ssex Mutual	6.75%	◇7.30%	—	—
...wn and Country	6.50%	7.00%	10.00%	¶¶7.75%
...olwich Equitable	6.75%	7.00%	8.25%	¶7.75%

...inimum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. In...ding bonus. ¶ Min. £500 2 yrs. fixed. ‖ 4th issue 2 yrs. ● 2 yrs. ...r £5,250. ** 7.50% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.50% ...nths. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ♡ Min. £100 2 ... fixed. ◇ Min. £1,000 6 mths. notice. ♧ 3 yrs. over £5,000. ... £5,000 and over 7.55%. ★ Min. £1,000 3 mths. notice.

Cement up fourth time this year

BY QUENTIN GUIRDHAM

CEMENT PRICES are to rise for the fourth time within a year. The Cement Makers' Federation, whose six members have a common price agreement, said yesterday that the increase would be about 9.1 per cent. and take effect on Monday week.

The Price Commission has not objected to the increase, caused by "further substantial rises in costs, particularly in respect of fuel." The effect is to increase concrete costs by between 2½ and 4 per cent.

The National Federation of Building Trades Employers, whose activity survey, due shortly, is expected to show a further decline in the third quarter of the year, said that the rise was a further blow to contractors working largely on fixed-price contracts.

Previous rises this year have been 3.9 per cent. in July and 15-19 per cent. in March; when the individual manufacturers returned to the common pricing system, until then ruled out under the price code.

The manufacturers separately increased their prices three times last year after three years without an increase.

The price of Portland cement will rise to about £16.70 a tonne compared with £12 a tonne a year ago, about £12.70 after the December increases, down £14.80 in March and £15.35 after the July rise.

Silkin reassures builders

BY QUENTIN GUIRDHAM

ADVANTAGES to builders under the Community Land Bill were claimed yesterday by Mr. John Silkin, Minister for Planning and Local Government. They would have a greater assurance of land supply and less need to tie up capital in land banks.

He told the Housebuilders Federation in London that he would encourage local authorities to give builders adequate information about the timing of development work.

Mr. Robert Willan, the Federation's president, said that the Bill was a "diabolical" piece of legislation, and would be "very damaging to our interests and to the nation."

He also criticised Government proposals to increase finance provided by building societies to local authorities.

U.K CONVERTIBLE STOCKS 17/10/75

Statistics provided by *data STREAM international*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◇ Current
Alcan Aluminum 9pc Cv. 89-94	12.00	65.00	100.0	76-80	14.4	15.1						
Associated Paper 9½pc Cv. 85-90	1.40	75.00	200.0	76-85	13.1	13.9	11.9	5 to 29	50.3	50.0	−0.5	−12.5
Bank of Ireland 10pc Cv. 91-96	10.25	136.00	35.7	77-90	7.4	6.4	15.4	12 to 23	47.3	60.4	11.1	−4.3
BPB 7¾pc Cv. 89-94	5.00	85.00	62.0	72-80	9.2	9.5	6.3	4 to 41	24.2	25.2	1.2	−5.1
English Property 6½pc Cv. 98-03	19.98	105.00	234.0	76-80	6.2	6.1	−15.3	−18 to 0	34.2	21.1	−10.6	+4.8
English Property 12pc Cv. 00-05	15.40	97.00	150.0	76-84	12.7	12.7	22.0	19 to 22	33.5	61.5	35.2	+13.1
Grand Metropolitan 10pc Cv. 91-96	121.90	81.00	120.2	73-78	12.4	12.7	7.0	6 to 16	14.7	17.0	3.0	−4.0
Hanson Trust 6½pc Cv. 88-93	4.51	73.00	57.1	76-86	9.0	9.8	10.6	5 to 28	33.2	34.1	1.3	−9.3
Hewden-Stuart 7pc Cv. 1995	0.72	130.00	280.0	75-95	5.4	4.8	−1.2	−1 to 30	49.1	46.5	−2.2	−1.0
Lyons, J. 7½pc Cv. 1981	3.60	73.00	22.7	75-81	10.0	14.3	132.8	107 to 153	12.3	27.1	47.1	−85.7
Slough Estates 10pc Cv. 87-90	5.50	129.00	125.0	78-87	8.1	7.0	36.7	29 to 48	21.4	57.6	38.3	+1.6
Tozer, Kemsley 8pc Cv. 1981	7.33	85.00	153.8	74-79	9.8	12.5	31.6	28 to 47	16.5	25.2	13.6	−18.0
Wilkinson Match 10pc Cv. 83-98	11.10	83.00	40.0	76-83	12.5	12.7	46.1	46 to 74	23.9	48.5	43.3	−2.8

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date, whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

STOCK EXCHANGE REPORT

Sharp reaction after Chancellor's economic review

Share index down 6 points at 342.4—Falls to 1⅝ in Gilts

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Oct. 6	Oct. 16	Oct. 17	Oct. 28
Oct. 20	Oct. 30	Oct. 31	Nov. 11
Nov. 3	Nov. 13	Nov. 14	Nov. 25

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Stock markets registered keen disappointment with the Chancellor's economic review at the annual Lord Mayor's Banquet.

The absence of any indicated short-term measures to curb Government expenditure brought a sharp setback in Gilt-edged, which in turn left its mark on the equity leaders. Gilts were a little above the worst at the end of the day, but final losses still ranged to 1⅝ and the Government Securities Index fell 0.79 to 57.89, its biggest one day loss since May 5 last. The New York City financial crisis, which had been ignored earlier in the week, also had an adverse affect on sentiment.

Falls in leading Industrials extended to 7 and occasionally more but, as with gilts, final quotations were above the worst. Down 8.6 at its lowest of the day at 1 p.m., the FT 30-share index closed a net 6 points off at 342.4, thus fully erasing Thursday's rise. Over the week, however, the index recorded a net gain of 3 points and one of 12.3 on the Account. Trade was at a low ebb and selling was only light, the day's business dealing mainly with end-Account book squaring.

Second-line equities took their cue from the leaders, falls being in a majority over rises by 9—4 in FT-quoted Industrials and loss of 1.6 per cent. to 147.76 in The FT-Actuaries All-Share index. Official markings of 7,767 compared with 5,562 on Thursday and 4,844 a week ago.

Gilts dejected

The contents of Mr. Healey's speech had a demoralising effect on medium long-dated British Funds, which sustained losses approaching two points before closing with net falls extending to 1⅝. The Chancellor's reference to no major exercise in the short-term to reduce Government expenditure was probably the most damaging factor, activating a fair volume of selling that continually required dealers to take defensive action by lowering and widening quotations. The medium short new "tap," Treasury 11¾ per cent., 1981, made its debut and a nominal amount was traded at the issue price of 96. Fluctuations among shorter maturities were far less and once again a good business was effected although not up to earlier-week standards. At the close, the largest fall was of ⅝, in Treasury 9¼ per cent., 1980, at 89⅞, after 89⅞.

A continuation of the previous day's lively and generally well balanced trade saw the investment currency premium close marginally easier at 99¼ per cent., after 98½ per cent. Yesterday's SE conversion factor was 0.6333 (0.6355).

Ed. Bates up late

The big four Banks ended the Account on a distinctly dull note. Disappointed by the Chancellor's overnight speech on the economy, dealers marked prices down by as much as 5 at the outset and then small sellers widened the falls to 18. However, prices picked up towards, and after, the House close, to leave losses ranging to 10. That much down were Midland, 280p, while Barclays gave up 9 to 293p and Lloyds and National Westminster 7 and 5 easier respectively at 233p and 240p. Discounts continued to edge forward, with Union up 8 more to 325p, making a gain on the week of 20. Merchant banks were featured late by Edward Bates, which recovered swiftly from a "House" close of 40p to finish 5 up on the day at 47p. Dawnay Day hardened 1½ to 17½p; the results are expected on Tuesday. Slater Walker, however, remained dull at 47p, down 2.

Associated Cement ended 3 off at 179p, after 174p, while Tunnel Cement "B" declined 5 to 167p and Rugby Portland (interim due Monday) eased a penny to 81p; "after-hours" news of the 9.1 per cent. increase in the price of cement, which was expected, did not affect sentiment. Ahead of next Thursday's interim results, London Brick shaded 2 to 58p, while reduced half-year earnings left Beaver Group 3 down at 54p. Richard Costain lost 6 to 218p. By way of contrast, Anglo-American Asphalt rose 10 to a 1975 high of 100p in a thin market. John Mowlem hardened 2 to 78p on the higher first-half profits.

ICI typified the dull market trend, closing 7 lower at 287p.

Another lively two-way trade left Store leaders closing just a little easier for choice. Marks and Spencer reacted to 102p, but subsequently rallied to 105p for a net loss of only a penny awaiting next Wednesday's half-time report. Debenhams shed 2 to 73p, but Burton "A" closed unaltered at 46p, after 44p, and House of Fraser a penny better at 76p. Narrow irregular movements occurred elsewhere. The increased profits induced a gain of a penny to 9p in Goodman Bros. and Stockman, while Ramar Textiles, after the full report, hardened similarly to 6p. On the other hand, J. Hepworth "B" eased 2 to 37p ahead of next Friday's preliminary results. W. H. Smith "A", 386p, gave up 2 of the previous day's rise of 12; the half-time figures are due on December 3. In Shoes, Stylo ended a penny better at 17p, after 18p, following Thursday's fall of 6½ on the half-year loss.

There was a fair trade in the Electrical leaders, with prices retreating to show losses of around 3 before closing a little above the day's worst. Thorn Electrical were an exceptional 8 down at 188p, after 196p, while BICC ended 4 down at 114p. EMI, 220p, after 217p, GEC, 125p, after 123p, and Plessey, 70p, all finished 3 cheaper, while Reyrolle Parsons shed 2½ to 62p. Second-line issues also tended to soften. Bowthorpe 33½p, relinquished half of the previous day's gain of 3

Engineering losses rarely extended beyond 5, Hawker losing that much to 305p and Ransomes Sims a like amount to 110p. Machine Tools had similar falls, as in Wolff at 90p and Jones and Shipman at 49p. Elsewhere, Delta Metal cheapened 3½ to 53½p and Hall-Thermotank came back to 70p before closing a net 2 down at 72p. The first-half net loss saw International Combustion react 1½ to 8p, but GHP, after Thursday's slump on the interim setback, regained 3 to 93p. The company's explanation of the need for talks with the Government left Swan Hunter 3 off at 62p. Hawthorn Leslie eased 2 to 31p.

Foods bought earlier in the week came prominently on offer including Kwik Save, down 6 at 228p. Rowntree Mackintosh, also 6 lower at 163p, and Manbre and Garton, which fell 5 to 128p, after 126p. Associated Dairies were not immune and gave up 4 at 232p, while Tate and Lyle shed 5 to 222p and Cavenham 4 to 141p.

Trust Houses Forte came back 2½ to 98p in Hotels where Centre (Cranston) moved up 2 to 23p on the chairman's confidence about current trading. Elsewhere, Ladbroke were an unsettled market and fell to 84p before ending a net 7 lower at 87p.

Alfred Marks down

Among easer miscellaneous industrial leaders, Reckitt and Colman closed 10 cheaper at 323p, after 320p, while losses of about 8 occurred in Beecham, 306p, Metal Box, 247p, and Unilever, 390p. Glaxo eased 3 further to 335p, leaving a fall on the week of 30 on the disappointing annual results. Among dull employment agencies, Alfred Marks receded 4 to 26p on the sharply lower first-half profits while, also reflecting a first-half setback, Brook Street Bureau declined 3 to 38p. Reed Executive, with interim figures due on Monday, shed 3 to 42. Toy shares provided dull spots in Mettoy, 3 down at 28p on the interim report, and Lesney Products, 4 off at 31p. Elsewhere, L. Lipton retreated 10 to 28p and Evered 2 to 8p, both suffering from gloomy half-year results, while the year's loss and nil dividend brought Tilley Lamp back 3 to 27p.

Apart from Lucas Industries, which lost 5 to 128p, Motors sustained only minor falls. Dunlop held steady at 62p ahead of next Thursday's interim results, while the odd firm spot included Lotus Car Group, 2 up at 21p, and Armstrong Equipment, 3 to the

Net losses of a penny were left in Property leaders Land Securities, 171p, after 169p, MEPC, 66p, after 64p, and British Land, 17½p. Town and City Properties recouped an initial penny decline to close unaltered at 17p.

Small local demand and the possibility that the U.S. could again be a buyer later kept British Petroleum moving ahead. When it eventually transpired that the Americans were not interested, BP still retained a modest gain of 3, at 593p, which equalled the 1975 peak. Conversely, Shell ran into end-Account profit-taking and fell to 354p before closing a net 6 lower at 358p. Secondary issues were relatively untested and overseas issues quiet; among the latter, Woodside-Burmah reacted further to 88p prior to ending only 1 easier on the day at 92p. International Oil lost 2 more to 30p, but Associated Australian picked up 4 to 140p.

Overseas Traders showed an easier disposition. However, Inchcape recouped 5, at 320p, of the previous day's fall of 19 caused by the company's revised bid (currently worth 147p) for Anglo-Thai; the latter, at 144p, recovered half of Thursday's loss of 6.

Trusts and Financials drifted quietly lower. Adverse Press comment left London and European 4 off at 47p, while Chancery Consolidated cheapened 1½ to 24p following the interim results.

Shippings contrasted with the easier trend elsewhere. P and O Deferred edged forward ½ to 101½p, and fresh speculative interest lifted Furness Withy 4 to 236p.

Small offerings took Courtaulds down to 134p before a late rally left a net loss of 2 at 137p. Elsewhere in easier Textiles, Nottingham Manufacturing cheapened a similar amount to 48p and Carrington Viyella shed 1½ to 23p. Sold down to 305p in the earlier trade.

News that McLeod Russel (3 better at 100p) and James Finlay (1 easier at 140p) are holding discussions which may lead to a reorganisation of the substantial shareholdings they and their associates hold in Teith, 290p, Cessnock, 175p, Consolidated Tea and Lands, 260p, and West Nile, 230p, encouraged dealers to mark the latter companies up by between 5 to 20.

Australians ease afresh

Australian Mining shares ended an eventful week poorly, in line with markets Down-Under. The resignation on Tuesday of Mr. R. F. Connor, Minister for Minerals and Energy, was followed by a rise in prices which later succumbed to political uncertainty, although mining shares were still generally higher on the week.

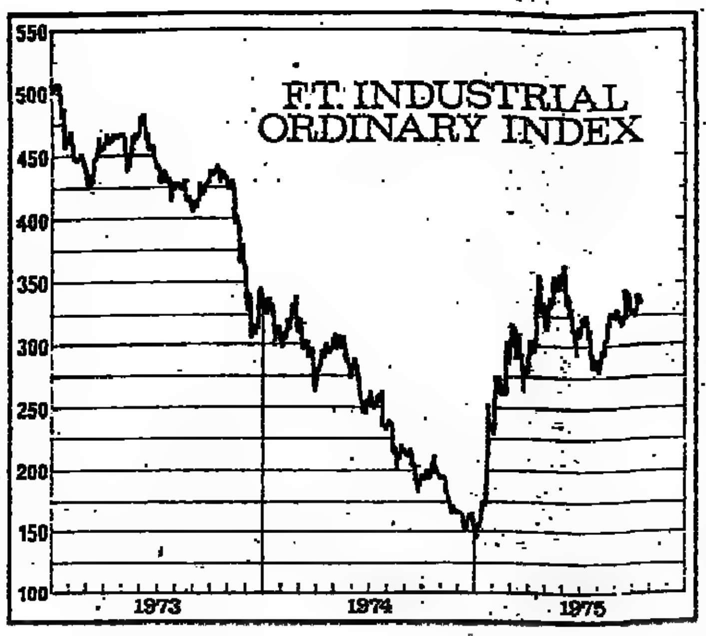
Against the trend yesterday Pancontinental gained 10 to 580p making a rise of 35 on the week. Peko-Wallsend retreated 20 to 370p, a week's loss of 30. Coal stocks were also dull, with Utah Mining giving up 50 to 850p.

The strength of bullion, which ended at $145 per ounce, a rise of $1.50 on the day and $2.50 on the week enabled Golds to close on a firm note although September quarterly profits were generally lower. Continental and Cape interest in a market short of stock produced rises ranging to £1¼ in West Driefontein, with Randfontein (£20) gaining £1¼ and Vaal Reefs up £1 at £22¾.

A feature in later dealings was the demand for Doornfontein (790p) and Southvaal (850p) which rose 80 and 50 respectively. The Gold Mines index ended 6.1 up at 270.4 to make a week's gain of 19.1.

Financials were mixed, with Gold Fields a firm spot at 214p up 6; the higher 1974-75 profits were announced on Tuesday. Anglo American gave up an earlier 5p gain to close unchanged at 375p. "Amgold" reflected the trend in Golds and rose £¼ at £32¾.

Coppers were featured by Palabora which rose 20 more to 900p on further consider... the encouraging Se... quarterly sales and pr... figures. In Rhodesian... (Mangula) reacted on pro... following Thursday's sh... and fell 7 to 75p.



FINANCIAL TIMES STOCK INDICES

	Oct. 17	Oct. 16	Oct. 15	Oct. 14	Oct. 13	Oct. 10
Government Secs.	57.89	58.68	58.59	58.87	58.34	58.86
Fixed Interest	59.10	59.60	59.44	59.49	59.17	59.17
Industrial Ordinary	342.4	348.4	345.9	339.9	[illegible]	[illegible]
Gold Mines	270.4	264.3	259.4	252.2	253.3	251.3
Ord. Div. Yld.	6.14	6.03	6.12	6.07	6.21	6.15
Earnings Yld. % (full)	16.86	16.59	16.83	16.64	17.02	16.95
P/E Ratio (net) (*)	8.40	8.55	8.45	8.54	8.34	[illegible]
Dealings marked	7,767	5,562	7,200	5,966	6,615	4,844
Equity turnover £m.	—	63.64	60.11	48.52	38.14	55.81
Equity bargains total	—	16,488	15,813	15,715	14,489	14,609

10 a.m. 344.5 11 a.m. 342.4 Noon 341.7 1 p.m. [illegible] 2 p.m. [illegible] 3 p.m. [illegible]

Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=8.85. Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Mines 12/9/55. S.E. Activity July-Dec. 1942. † Corrected.

HIGHS AND LOWS

	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54 (20/5)	49.18 (6/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.51 (21/5)	50.64 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	369.5 (6/6)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	443.3 (22/5)	231.6 (6/10)	[illegible] (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Oct. 17
Daily— Gilt-Edged	160.6
Industrials	281.2
Speculative	50.9
Totals	175.8
5-day Av'r'ge Gilt-Edged	[illegible]
Industrials	228.8
Speculative	50.0
Totals	152.5

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section.)

	Equity groups	Fri. Oct. 17 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Thurs. Oct. 16 Index No.	Wed. Oct. 15 Index No.	Tues. Oct. 14 Index No.	Monday Oct. 13 Index No.	Year ago (approx.) Index No.	1975 High
1	CAPITAL GOODS (179)	125.57	−1.9	18.21	6.53	8.20	8.20	127.96	126.01	125.85	124.39	72.45	131.26 (6/6)
2	Building Materials (30)	122.76	−2.5	14.08	6.55	10.79	10.78	125.84	125.21	122.78	120.59	67.21	125.84 (16/10)
3	Contracting, Construction (23)	228.15	−2.5	16.57	4.08	9.05	9.08	235.50	227.57	227.57	225.84	105.28	251.61 (25/4)
4	Electricals (17)	217.75	−2.2	18.76	5.33	7.80	7.80	222.74	219.70	220.31	217.48	155.66	234.64 (6/6)
5	Engineering (Heavy) (13)	149.75	−1.4	21.80	7.93	6.99	6.99	151.85	148.44	149.74	147.95	85.52	159.79 (22/4)
6	Engineering (General) (63)	108.35	−1.3	20.11	7.66	7.40	7.40	109.79	108.46	108.22	107.70	63.77	117.40 (6/6)
7	Machine and Other Tools (9)	42.88	−1.7	19.22	9.79	9.40	9.40	43.61	43.12	42.79	42.75	29.48	46.96 (20/6)
8	Miscellaneous (24)	106.13	−1.1	20.25	7.42	7.56	7.56	107.50	107.12	106.26	105.78	65.83	121.76 (6/6)
9	CONSUMER GOODS (DURABLE) (57)	101.41	−1.5	17.10	6.08	8.59	8.58	103.00	101.17	101.65	100.67	56.09	103.00 (16/10)
10	Electronics, Radio TV etc. (15)	117.54	−2.0	15.74	4.54	9.48	9.47	120.00	118.15	119.66	118.66	59.78	125.06 (25/9)
11	Household Goods (15)	153.49	−0.5	15.92	6.72	9.25	9.20	153.90	153.57	153.18	153.44	85.67	153.90 (16/10)
12	Motors and Distributors (27)	54.67	−1.3	20.16	8.52	7.13	7.15	55.39	53.74	53.37	52.26	32.27	55.39 (16/10)
13	CONSUMER GOODS (NON-DURABLE) (167)	138.64	−2.1	14.53	6.14	9.97	9.90	141.67	139.69	139.45	138.48	78.95	146.46 (6/6)
14	Breweries (15)	158.05	−3.5	12.65	6.48	11.96	11.96	163.69	160.15	159.16	158.06	94.67	167.96 (22/9)
15	Wines and Spirits (7)	142.51	−2.7	13.66	7.14	11.05	11.05	146.44	144.29	143.15	144.17	110.65	177.94 (8/7)
16	Entertainment, Catering (16)	159.60	−2.7	13.56	7.47	11.70	11.15	164.09	161.50	162.94	160.11	79.92	167.38 (22/9)
17	Food Manufacturing (22)	149.39	−2.2	13.99	6.57	9.83	9.79	152.80	150.61	150.94	150.03	71.89	156.57 (6/6)
18	Food Retailing (16)	143.38	−1.7	10.78	4.59	13.46	13.46	146.08	144.13	143.46	143.02	71.00	149.17 (4/6)
19	Newspapers, Publishing (15)	137.48	−1.3	15.83	7.19	9.68	9.65	139.24	137.85	137.52	137.40	80.41	152.14 (6/6)
20	Packaging and Paper (13)	93.56	−1.5	25.79	7.89	6.26	6.26	95.09	93.05	92.55	91.70	59.35	107.12 (2/5)
21	Stores (32)	120.11	−1.4	12.17	5.44	12.57	12.57	121.75	120.89	120.13	119.27	69.66	132.94 (20/5)
22	Textiles (22)	146.02	−1.8	22.89	7.32	5.23	5.10	148.75	145.01	144.71	142.48	85.89	149.62 (22/9)
23	Tobacco (3)	194.58	−2.6	17.43	6.93	8.73	8.73	199.47	196.60	197.97	196.60	116.75	199.47 (16/10)
24	Toys and Games (6)	57.99	−4.0	24.39	8.78	5.70	5.70	60.41	59.62	60.36	61.12	30.46	61.12 (13/10)
	OTHER GROUPS (93)												
25	Chemicals (24)	174.83	−2.3	15.93	5.48	8.77	8.76	178.99	176.05	176.59	175.65	97.38	189.17 (6/6)
26	Office Equipment (10)	82.62	−0.6	16.14	6.51	8.69	8.69	83.07	82.20	82.76	81.02	56.56	104.78 (17/4)
27	Shipping (12)	371.69	−0.2	21.94	6.50	5.84	5.63	372.55	371.08	369.63	364.56	261.13	401.64 (10/3)
28	Miscellaneous (47)	145.83	−0.7	17.78	6.98	8.26	8.26	146.88	144.00	144.03	143.28	85.42	153.58 (6/6)
29	INDUSTRIAL GROUP (496)	136.45	−1.9	16.14	6.21	8.97	8.94	139.10	137.09	136.95	135.92	78.67	143.48 (6/6)
30	OILS (4)	325.55	−0.5	15.46	4.94	7.82	6.47	327.24	319.69	326.19	320.32	147.26	327.24 (16/10)
31	500 SHARE INDEX	152.06	−1.7	16.03	6.00	8.65	8.41	154.65	152.14	152.57	151.16	84.62	156.14 (6/6)
32	FINANCIAL GROUP (100)	155.50	−1.7	—	5.40	—	—	158.87	155.25	155.64	155.06	71.58	148.45 (20/6)
33	Banks (6)	159.95	−2.7	18.38	6.61	8.33	8.33	164.40	158.26	162.99	160.10	82.32	177.11 (5/6)
34	Discount Houses (9)	157.55	+0.7	—	7.82	—	—	156.38	151.08	148.11	147.85	104.15	159.27 (7/3)
35	Hire Purchase (5)	95.16	−0.9	18.88	8.88	7.56	6.97	96.01	95.70	95.19	94.58	89.54	134.39 (10/3)
36	Insurance (Life) (9)	116.66	−2.1	—	5.86	—	—	119.21	116.26	116.62	115.53	59.94	127.97 (25/4)
37	Insurance (Composite) (7)	109.71	−1.6	—	6.24	—	—	111.52	108.44	108.64	108.40	62.18	123.90 (20/5)
38	Insurance (Brokers) (9)	214.75	+0.8	9.82	4.01	15.28	15.28	213.06	208.12	209.72	209.93	86.86	214.75 (17/10)
39	Merchant Banks (19)	87.42	−1.1	—	5.77	—	—	88.43	87.53	86.40	86.46	47.79	94.97 (7/3)
40	Property (32)	159.36	−1.5	5.90	[illegible]	40.63	38.74	161.96	158.76	161.58	163.40	110.67	241.22 (22/4)
41	Miscellaneous (4)	69.81	−0.8	15.84	9.13	10.86	10.71	70.37	69.80	69.03	68.63	44.39	75.78 (25/4)
42	Investment Trusts (50)	162.54	−0.9	3.05	4.39	32.81	32.79	164.08	162.80	162.62	162.05	85.84	178.63 (6/6)
43	ALL-SHARE INDEX (650)	147.76	−1.6	—	5.79	—	—	150.22	147.76	148.15	146.97	81.42	154.09 (6/6)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)												
44	Rubbers (9)	360.43	−1.3	15.78	9.21	9.18	9.10	365.13	362.83	362.83	361.50	313.64	525.43 (23/5)
45	Teas (10)	107.55	+2.4	38.11	9.71	3.78	3.65	105.07	105.16	105.37	105.07	59.97	107.55 (17/10)
46	Coppers (3)	283.44	−1.1	69.28	17.29	1.44	1.44	286.61	283.44	283.29	286.45	346.55	467.74 (27/5)
47	Mining Finance (11)	109.56	−1.4	11.18	4.64	9.82	9.82	111.10	109.82	109.01	107.04	74.40	141.34 (30/5)
48	Tins (8)	86.22	+0.8	12.82	10.39	10.20	9.12	85.56	85.43	85.98	87.37	61.23	114.49 (3/6)
49	Overseas Traders (13)	208.70	−1.3	16.86	4.77	7.59	7.58	209.37	209.60	209.91	207.98	—	252.23 (20/6)

FIXED INTEREST

		Friday, Oct. 17 Index No.	Yield %	Thurs. Oct. 16	Wed. Oct. 15	Tues. Oct. 14	Monday Oct. 13	Friday Oct. 10	Thurs. Oct. 9	Wed. Oct. 8	Year ago (approx.)
1	Consols 2½% yield	—	14.99	14.77	14.75	14.25	14.86	14.84	14.95	14.94	15.83
2	20-yr. Govt. Stocks (6)	46.69	15.89	47.73	47.63	47.65	47.57	47.19	47.21	44.62	[illegible]
3	20-yr. Red. Deb. & Loans (15)	48.52	15.82	48.96	46.90	46.83	46.83	46.82	47.13	41.21	[illegible]
4	Investment Trusts Prefs. (15)	45.46	15.46	45.46	45.33	45.33	45.47	45.29	45.24	37.24	[illegible]
5	Coml. and Indl. Prefs. (20)	61.88	15.17	62.15	62.36	62.59	61.15	61.42	61.33	62.02	50.79

† Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer. A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 15p. Commonwealth 18p. Foreign 22p.

MONEY + EXCHANGES

Rise in bill rate

Bank of England Minimum Lending Rate 12 per cent. (since October 3, 1975)

The Treasury bill rate rose by 0.0415 per cent. to 11.4218 per cent. at yesterday's tender, leaving Bank of England Minimum Lending Rate unchanged at 12 per cent. The minimum accepted bid was £97.14½, compared with £97.15 previously, and bids at that level were met as to 27 per cent. The £200m. bills tendered and allotted attracted bids of £465.7m., against the previous £528.8m. All bills offered were allotted, while next week £400m. will replace maturities of £300m.

Day-to-day credit was in very short supply in the London money market yesterday and the authorities gave an exceptionally large amount of assistance by buying Treasury bills and Corporation bills from the discount houses. Bank balances were run down from Thursday and the market was also faced with a net take-up of Treasury bills, an increase in the note circulation, settlement of large sales of gilt-edged stock, and local authority bill maturities. On the other hand Government disbursements exceeded revenue payments to the exchequer.

Discount houses paid 11½-11¾ per cent. for secured call loans at the start, and closing rates were in the region of 10-11 per cent. Short-term fixed period interest rates were generally firmer, with the one-month sterling certificate yield improving to 11⅝-11⅞ per cent. from 11½-11¾ per cent.

Rates in the table below are nominal in some cases.

Oct. 17 1975	Sterling Certificate of deposits	Interbank	Local Authority deposits†	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposits	Treasury bills ⊕	Bank bills ⊕	Fine trade bills ⊕
Overnight	—	11¼-11¾	—	—	—	11⅝-11¾	10-11⅞	—	—	—
2 days notice	—	—	11¼-11⅜	—	—	—	—	—	—	—
7 days or 7 days notice	—	11¼-11½	11⅜-11½	—	—	—	11⅝-11⅝	—	—	—
One month	11⅝-11⅞	11⅞-11⅞	11⅜-11½	11¾-11⅞	11-12⅛	—	11⅞-11¾	11¾	11⅝-11⅝	12-11⅞
Two months	11⅝-11⅞	11⅞-11⅞	—	11⅞-11⅞	11-12⅛	—	11⅞-11¾	11⅞-11⅞	11⅞-11⅞	12-11¾
Three months	11⅞-11⅞	11⅞-11⅞	11⅞	11⅞-11⅞	11⅞-12⅛	—	11-11⅞	11⅞-11⅞	11⅞-11⅞	12
Six months	11⅞-11¾	11⅞-11⅞	11⅞-11⅞	11⅞-11¾	11⅞-12⅛	—	—	11⅞-11⅞	12⅛-12⅞	[illegible]
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
Two years	—	—	—	[illegible]	—	—	—	—	—	—

† Local authority and finance houses seven days' notice, others seven days' fixed. * Long-term local authority mortgage rate nominally three years 13¼-13½ per cent.; four years 13½-14 per cent.; five years 14-14¼ per cent. ⊕ Bank bill rates in table are buying rates for prime paper: buying rates four-month bank bills 11⁹⁄₁₆-11½ per cent.; four-month trade bills 12½ per cent. Approximate selling rates for one-month Treasury bills 11⁵⁄₁₆-11⅜ per cent.; two-month [illegible] per cent.; three-month 11⁵⁄₁₆-11⁵⁄₁₆ per cent. Approximate selling rates for one-month Bank bills 11⁵⁄₁₆-11⅜ per cent.; two-month [illegible] per cent.; and three-month 11⅝-11¹¹⁄₃₂ per cent.; for one-month trade bills 11½-11⅝ per cent.; two-month [illegible] per cent.; three-month 11⅝-11⅞ per cent.

Finance House Base Rate (published by the Finance Houses Association) 11 per cent. from October 1. Clearing Bank Deposit Rates for small sums at seven days' notice 7 per cent. Clearing Bank Rate for lending 11 per cent. Treasury Bills: Average tender rates of discount 11.4218 per cent.

EXCHANGES AND BULLION

Sterling improved against the U.S. dollar and major currencies in general in the foreign exchanges market yesterday. The pound began at $2.0520-2.0530 and remained around $2.0545-2.0555 for the most part. Demand for sterling in late dealings helped the rate up to $2.0575-2.0585 at the close; a gain of 25 points on the day. The pound's trade-weighted average depreciation, since the Washington Currency Agreement, as calculated by the Bank of England, narrowed to 29.5 per cent. from 29.6 per cent., after standing at 29.6 per cent. at noon and in early dealings.

The dollar remained depressed by the financial problems of New York and the easier trend in U.S. interest rates. The Morgan Guaranty calculation for the dollar's trade-weighted depreciation, on noon rates, narrowed slightly to 2.13 per cent. from 2.16 per cent.

Gold continued to improve, on doubts surrounding the sale of gold on the free market by the International Monetary Fund. The metal touched a high point of $145-146, but eased a little at the close to $144½-145½, a gain of $1½. The krugerrand finished at $148¾-150¾ (£72½-73½) in the domestic market. The coin's premium over its gold content widened to 3.27 per cent. for domestic delivery and 3.45 per cent. in international dealings.

EXCHANGE CROSS-RATES

Oct. 17	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]
London	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—

U.S. $ in Montreal. U.S. $=102.32-24 Canadian cents. Canadian $ in New York. $C1=97.74-76 U.S. cents. U.S. $ in Milan 675.60. Sterling in Milan 1388.90.

EURO-CURRENCY INTEREST RATES*

Oct. 17 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
Short term	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Euro-French deposit rates: short-term [illegible] per cent.; seven days' notice [illegible] per cent.; one month [illegible] per cent.; three months [illegible] per cent.; six months [illegible] per cent.; one year [illegible] per cent.

Longer-term Eurodollar deposits: two years [illegible] per cent.; three years [illegible] per cent.; four years [illegible] per cent.; five years [illegible] per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month [illegible] per cent.; three months [illegible] per cent.; six months [illegible] per cent.; one year [illegible] per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars, and two days' notice for guilders and Swiss francs.

FOREIGN EXCHANGES

Oct. 17 1975	Bank rate %	Day's Spread	Close
New York	[illegible]	[illegible]	[illegible]
Montreal	[illegible]	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]
Copenhagen	[illegible]	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]
Madrid	[illegible]	[illegible]	[illegible]
Milan	[illegible]	[illegible]	[illegible]
Oslo	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	[illegible]
Stockholm	[illegible]	[illegible]	[illegible]
Tokyo	[illegible]	[illegible]	[illegible]
Vienna	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]

† Basic discount. ‡ Rates given are for convertible francs. Financial franc 81.70-82.00.

OTHER MARKETS

			Notes Rates
Argentina	[illegible]	Argentina	[illegible]
Australia	[illegible]	Austria	[illegible]
Brazil	[illegible]	Belgium	[illegible]
Finland	[illegible]	Denmark	[illegible]
Greece	[illegible]	France	[illegible]
Hong Kong	[illegible]	Germany	[illegible]
Iran	[illegible]	Italy	[illegible]
Kuwait	[illegible]	Japan	[illegible]
Luxembourg	[illegible]	Netherlands	[illegible]
Malaysia	[illegible]	Norway	[illegible]
New Zealand	[illegible]	Portugal	[illegible]
Saudi Arabia	[illegible]	Spain	[illegible]
Singapore	[illegible]	Switzerland	[illegible]
S. Africa	[illegible]	United States	[illegible]
U.S.	[illegible]	Yugoslavia	[illegible]
Canada	[illegible]		

Rate given for Argentina is free rate.

FORWARD RATES

	One month	Three months
New York	[illegible]	[illegible]
Montreal	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]
Brussels	[illegible]	[illegible]
Copenhagen	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]
Madrid	[illegible]	[illegible]
Milan	[illegible]	[illegible]
Oslo	[illegible]	[illegible]
Paris	[illegible]	[illegible]
Stockholm	[illegible]	[illegible]
Vienna	[illegible]	[illegible]
Zurich	[illegible]	[illegible]

Six-month forward dollar [illegible]. 12-month [illegible].

BASE LENDING RATES

AFT International ...
Allied Irish Banks Ltd
Anglo-Portuguese Ban...
Henry Ansbacher ...
Banco de Bilbao ...
Banco de Jerez ...
Bank of Cyprus ...
Bank of N.S.W. ...
Banque du Rhone S.A.
Barclays Bank ...
Barnett, Christie Ltd.
Bremar Holdings Lt...
Brit. Bank of Mid. Ea...
■ Brown Shipley ...
Cayzer, Bowater Co. Lt...
Cedar Holdings ...
■ Charterhouse Japhet ...
C. E. Coates ...
Consolidated Credits ...
Continental Trade B...
Co-operative Bank ...
Copleys Bank ...
Corinthian Securities ...
Credit Lyonnais ...
G. R. Dawes ...
Duboff Brothers ...
Duncan Lawrie ...
English Transcont. ...
First London Secs. ...
■ Antony Gibbs ...
Goode Durrant Trust ...
Greyhound Guaranty ...
Grindlays Bank ...
■ Guinness Mahon ...
■ Hambros Bank ...
Hawtin & Partners ...
■ Hill Samuel ...
C. Hoare & Co. ...
Julian S. Hodge ...
Industrial Bank of Sc...
Jacobs, Kroll ...
Keyser Ullmann ...
Knowsley & Co. Ltd. ...
Lloyds Bank ...
London & European ...
London Mercantile ...
Midland Bank ...
■ Samuel Montagu ...
■ Morgan Grenfell ...
National Westminst...
Northern Comm. Tru...
Norwich General Tru...
Portman Guaranty ...
P. S. Refson & Co. ...
Rossminster Accept...
Royal Trust of Cana...
Schlesinger Limited ...
E. S. Schwab ...
Security Trust Co. Lt...
Shenley Trust ...
Standard Chartered ...
Sterling Credit ...
Thames Guaranty ...
Trade Development B...
Twentieth Century B...
United Bank of Kuwa...
Wallace Brothers Ban...
Whiteaway Laidlaw ...
Williams and Glyn's ...
Yorkshire Bank ...

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month deposits [illegible]%.
† 7-day deposits on sums of £10,000 and under [illegible]%, up to £25,000 [illegible]% and over £25,000 [illegible]%.
‡ Demand deposits [illegible]%.

CORAL INDEX: Close 337-342

GOLD INDEX 144-147

INSURANCE BASE RATES

† Atlantic Assurance ...
Cannon Assurance ...
† Address shown under Insurance and Property Bond table.

GOLD MARKET

	Oct. 17 1975	
Gold Bullion (a fine ounce) Close	$144½-145½	[illegible]
Opening	$143¾-144¾	[illegible]
Morning fixing	$145.75 (£70.909)	[illegible]
Afternoon fixing	$144.90 (£70.456)	[illegible]
Gold Coins (domestically) Krugerrand	$148¾-150¾ (£72¼-73¼)	[illegible]
New sov'r'gns	[illegible]	[illegible]
Old sov'r'gns	[illegible]	[illegible]
Gold Coins (internationally) Krugerrand	[illegible]	[illegible]
New sov'r'gns	[illegible]	[illegible]
Old sov'r'gns	[illegible]	[illegible]
$20 Eagles	[illegible]	[illegible]
$10 Eagles	[illegible]	[illegible]
$5 Eagles	[illegible]	[illegible]

SPECIAL DRAWING RIGHT RATES

	Oct. 17	
One SDR is equal to—		
Sterling	0.574729	[illegible]
U.S. dollar	1.18184	[illegible]
Belgian franc	45.6908	[illegible]
Deutsche mark	3.02929	[illegible]
French franc	5.19003	[illegible]
Italian lira	797.887	[illegible]
Japanese yen	357.703	[illegible]
Dutch guilder	3.11434	[illegible]
Swedish krona	5.16615	[illegible]

Values are for currencies against SDR as calculated by the International Monetary Fund in Washington.

هكذا من الأصل

AUTHORISED UNIT TRUSTS

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

Gartmore Fund Managers♥
2, St. Mary Axe, EC3A 8BP. 01-283 2531

British Trust	32.6	34.9	−0.6	4.83
High Income Tst.	31.3	33.7	.....	11.86
(2)Overseas Tst.	23.1	24.9	.....	1.80

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111

(a)A. Gibbs Inc.*	25.2	27.1	−0.3	11.79
(a)A. Gibbs Gth.††	23.8	25.5	.....	5.6

Dealing day *Tues. ††Wed.

REGIONAL MARKETS

...owing the merger last year of U.K. stock exchanges a selection of the share ...reviously shown under regional headings is presented below with quotations ...lon. Irish issues, most of which are not officially listed in London, are ...parately and with prices as on the Irish exchange.

...v. 20p	15	.....	Craig Ship. £1	415	.....	Shiloh Spinn.	25	.....
...ning	57	.....	*Hallam Sleigh 10p*	6	.....	Sindall (Wm.)	46	.....
...	18	−1	Higsons Brew.	90	.....			
...t. 50p	130	−5	I.O.M. Stm. £1	120	.....	**IRISH**		
...roft	35	.....	Holt (Jos.) 25p	260	.....			
...ose £1	315	.....	Kleen-e-Ze	18	.....	Alliance Gas (£1)	68	.....
...A.)	30	.....	Lovell's Ship £1	115	.....	Carroll (P. J.)	117	+2
...eBdy.	58	.....	N'thn. Goldsmith	90	.....	Clondalkin	47	.....
...10p.	53	.....	P.M.A.	30	−3	Concrete Prods.	73	.....
...	18	.....	Pearce (C. H.)	60	.....	Goodbody (£1)	35	.....
...e	47	.....	Peel Mills	11	.....	Heiton (Hldgs.)	29	.....
...g. 5p.	16	.....	Richards 10p	12½	.....	Irish Distillers	67	.....
...d 50p.	95	.....	RobbCaledon5p.	26	.....	Irish Wire	40	.....
... & Sons	11	.....	Sayers 12½p	8	.....	Jacob	45	+1
...(L.)	57	−3	Sheffield Brick	64	.....	Sunbeam	11	−½
			Sheff. Refrshmt.	141	.....	Unidare	69	.....

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

World Wide Gth. Fd	$US10.70	.....	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. § Guernsey yield. ‡ Suspended. ☆ Single premium insurance bonds.

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ DM Prices exclude Inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 37¼% (based on $2.0585 per £)

CANADIANS

[illegible]

S.E. List Premium 37¼% (based on $2.1146 per £)
Conversion factor 0.6353 (0.6359)

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS & CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

هكذا من الأصل

هكذا من الأصل

INDUSTRIALS—Continued

[illegible]

INDUSTRIALS—Continued

[illegible]

††INSURANCE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING, ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPBUILDERS, REPAIRERS

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

TRUSTS—Continued

[illegible]

Finance, Land, etc.

[illegible]

OILS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£14¾	360	Durban Deep R1	430	+10	‡Q110c	ϕ	‡
£14	520	E. Rand Prp. R1	600	+15	‡Q115c	ϕ	‡
105	28	Rand Leases 2½c	30	+2	—	—	—
£34½	£15¾	Rand'tn Est. R2	£20	+1½	—	—	—
500	155	West Rand R1	177	+2	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
370	175	Bracken R1	202	+4	Q52c	ϕ	14.2
23	5	Daggafontein 50c	9	......	—	—	—
105	37	East Dag R1	42	+5	‡Q25c	ϕ	‡
140	140	Gvnt. Areas 5c	140¢	......	—	—	—
380	120	Grootvlei 30c	150	+5	‡Q32c	1.1	‡
820	410	Kinross R1	450	+5	Q54c	ϕ	6.6
190	70	Leslie 70c	82	+6	Q18c	ϕ	12.1
550	165	Marievale 70c	212	+17	‡Q84c	1.1	‡
725	200	S. African Ld. 35c	260	+10	‡Q85c	1.2	‡
265	82	Vlakfontein R1	114	+6	Q25c	1.3	17.0
£13¾	720	Winkelhaak R1	790	+10	Q108	ϕ	7.6
128	36	Wit. Nigel 25c	50	+3	—	—	1.4

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£11	620	Blyvoor 25	705	−5	Q100c	1.3	7.8
£21½	£12¾	Buffels R1	£15¾	+⅛	Q180c	1.4	6.3
430	235	Deelkraal R0.20	278	+4	—	—	—
£14¼	610	Doornfontein R1	790	+80	Q110c	1.4	7.7
£12¾	725	East Drie R1	915	+25	Q65c	ϕ	3.9
450	200	Elsburg R1	230	−5	Q45½c	—	10.9
£31	£15	Hartebeest R1	£19	+½	Q215c	1.4	6.3
£13¾	730	Kloof Gold R1	920	+10	Q55c	1.4	3.3
£17¾	650	Libanon R1	800	+10	Q110c	1.9	7.6
£13¾	600	Southvaal 50c	850	+50	Q9c	0.9	0.6
480	210	Stilfontein 50c	250	......	‡Q65c	1.3	‡
£33¾	£17	Vaal Reefs 50c	£22¾	+1	‡Q220c	1.7	‡
£11½	290	Venterspost R1	360	+5	Q70c	1.9	10.7
£55	£33	W. Drie R1	£40	+1¾	Q485c	1.2	6.7
745	275	W'st'rn Areas R1	335	+5	†Q70c	1.4	11.5
£23	£13	Western Deep R2	£15¾	+¼	‡Q160c	1.4	‡
530	290	Zandpan R1	335	+10	Q35¼c	1.0	5.9

O.F.S.

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
400	160	Fr. State Dev. 50c	180	......	Q14c	1.6	4.3
£32¾	£19	F.S. Geduld 50c	£23½	......	330c	ϕ	7.7
265	115	F.S. Saaiplaas R1	160	+10	26c	—	2.1
960	550	Harmony 50c	595	−5	Q77c	1.8	7.2
575	170	Loraine R1	225	+5	Q6c	ϕ	1.5
£28¼	£17¼	Pres. Brand 50c	£19¼	+¼	Q250c	ϕ	7.2
£25¾	£11¼	Pres. Steyn 50c	£12¾	......	Q125c	ϕ	5.4
£39¾	£19¾	St. Helena R1	£23⅝	+⅞	Q250c	ϕ	5.8
340	170	Unisel	212	......	—	—	—
525	245	Welkom 50c	370	+10	Q55c	ϕ	8.2
£40	£23	W. Holdings 50c	£27¾	......	Q475c	ϕ	9.8

FINANCE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
520	313	Ang. Amer. 10c	375xd	......	†Q29c	2.0	4.3
£45½	£27½	Ang. Am. Gold R1	£32¾	+¼	†Q250c	1.4	4.2
£16¼	850	Ang-Vaal 50c	£11½	......	Q95c	ϕ	4.5
205	87	Charter Con.	165	−3	6.21	2.2	5.8
290	188	Cons. Gold Field	214	+6	6.7	ϕ	4.9
32	17	E. Rand Con. 10p	20	+1	0.92	1.4	7.1
495	238	Geduld Inv. R1	305	+5	†Q34c	0.4	6.2
£38¾	£19	Gen. Mining R2	£21¼	+½	†Q210c	2.1	5.4
£39	£20½	G. Fields S.A. 25c	£25½	......	Q225c	1.3	4.9
£27¼	£12	Joburg Cons. R2	£21¼	......	Q165c	ϕ	4.3
530	260	Middle Wit 25c	345	......	Q28c	2.0	4.5
315	182	Minorco $BD1.40	188	+4	Q14c	—	4.1
305	140	New Wit 50c	185	+5	Q20c	1.6	6.0
£11	760	Patino NV Fls.5	830	−35	QC40c	10.5	4.3
£11	660	Rand Selection 50c	765	+5	†Q70c	1.6	5.1
695	322	Selection Trust	510	−10	14.0	2.0	4.2
450	230	Sentrust 10c	240	+5	Q30c	1.2	6.9
81	27	Silvermines 2½p	46	+1	‡a4.0	1.6	‡
170	120	SW Africa 20p	135	......	17.87	ϕ	21.9
£14	560	Tvaal. Cons. Ld. R1	£11	−¼	†Q55c	2.5	2.8
475	250	U.C. Invest R1	285	−10	Q36c	1.2	7.0
580	355	Union Crp. 8.25c	420xd	−5	Q42c	1.6	5.5
£23	13½	Vereeniging R2	£20¼	......	QR1.15	ϕ	3.1
105	30	Vogels 2½c	84	......	Q6c	1.0	3.9

DIAMOND AND PLATINUM

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£35	£15¾	Anglo-Am. Inv. 50c	£30	......	Q290c	1.0	5.3
146	48	Bishopsgate Plt. 10c	92	−4	Q3.1	ϕ	1.9
333	161	De Beers Dl. 5c	305	−3	Q25c	2.2	4.5
£17	£11½	Do. 40pc Pf. R5	£14½	−½	110	125.5	7.6
152	80	Lydenburg 12½c	102	......	Q2.9c	ϕ	1.6
248	100	Pot. Plat. 2½c	164	−1	Q5c	ϕ	1.7
212	94	Union Plat. 10c	146	......	Q4.96c	ϕ	1.9
212	95	Waterval 5c	146	......	Q5.2c	ϕ	2.0

CENTRAL AFRICAN

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
345	150	Coronation 25c	190	......	Q34c	ϕ	9.9
250	175	Falcon Rh. 50c	205	......	Q65c	ϕ	—
52	38	Globe Phnix 17½p	40	......	1.25	ϕ	4.8
24	15	Rho.-Corp. 16⅔p	18	......	Q5	8.0	4.6
440	200	Roan Cons. K4	220	......	Q16.0	ϕ	7.3
230	92	Tanganyika 50p	144xd	......	‡Q26	1.2	‡
75	60	Do. Pref. 80p	65	......	Q9	18.0	11.6
38	26½	Wankie Col. Rh. 1	35xd	......	Q6½c	ϕ	10.3
70	31	Zam. Cpr. SBD0.24	39	−1	Q1.90	3.2	4.9

AUSTRALIAN

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
28	10	Acmex 25c	23	−2	—	—	—
138	95	A. M. and S. 50c	122	−1	‡Q14c	1.5	‡
122	74	Bougainville 50c	86	......	Q27½c	3p	‡
242	145	BH South 50c	160	−5	—	—	—
215	75	Gold M. Kalg. $1	75	−5	—	—	—
85	36	Gt. Boulder 10c	74	+2	‡Q2c	‡2.8	1.5
137	70	Hampton Areas 5p	78	......	1.18	4.2	2.3
115	30	Metals Ex. 50c	34	−2	—	—	—
43	14	Metramar 20c	14	......	—	—	—
246	117	M.I.M. Hlds. 50c	206	−6	Q10c	ϕ	2.7
135	80	M. Lyell 25c	80	......	Q5c	ϕ	3.6
2¾	1½	Newmetal 10c	1½	......	—	—	—
155	102	North B. Hill $1	142	−2	Q9c	1.4	3.6
16½	8	North Kalg. 30c	8	......	—	—	—
85	47	Oakbridge $A1	75	−3	Q8c	ϕ	6.1
21	8	Pacific Copr. 25c	13	......	—	—	—
640	220	Pancont'l 25c	580	+10	—	—	—
25	9	Paringa M&Ex. 5p	11	......	—	—	—
450	235	Peko-Walls'd 50c	370	−20	Q15c	ϕ	2.3
345	175	Poseidon 20c	180	+5	—	—	—
4	2	Scamander 25c	4	......	—	—	—
26	8	Vultan Min. 50c	16	......	—	—	—
6	4	Westmex 10c	5	......	—	—	—
214	137	W. Mining 50c	155	−2	‡Q8c	0.8	3.8
50	26	Whim Creek 20c	26	−2	—	—	—

TINS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
56	32	Amal. Nigeria	40	......	5.62	1.6	21.6
161	77	Ayer Hitam	136	+1	13.0	ϕ	14.7
36	10	Beralt Tin	13½	......	—	—	—
424	268	Berjuntai $M2.5	315	......	Q$M2	ϕ	11.1
18	13	Ex Lands 10p	16	......	15	3.8	14.4
246	160	Geevor	160	−2	12	2.3	11.5
18	9	Gold & Base 12½p	9	......	—	—	—
288	157	Gopeng Cons.	200	......	14.25	ϕ	11.0
73	55	Hongkong	62	......	—	—	—
58	40	Idris 10p	53	......	6.7	2.2	19.4
11	7	Jantar 12½p	9½	......	—	—	—
68	43	Kamunting 15p	47	......	7.0	1.2	22.9
165	135	Killinghall	135	......	48	—	13.7
192	106	London Tin 20p	149	−1	7.0	1.3	7.2
220	93	Malay Dredging	157	+2	g43.9	1.6	10.8
41	22½	♦Pahang	32xc	......	Qh2.6	ϕ	12.5
65	41	Pengkalen 10p	44	+1	7.0	1.0	24.5
102	75	Petaling $M1	100	......	—	—	—
23	8	Saint Piran	17	......	0.63	3.5	5.7
135	68	South Kinta (10p)	87	......	9.5	1.5	16.8
180	73	Sthn. Malayan	125	......	g43.9	1.4	13.5
83	43	Sungei Besi 20p	44	......	30	3.0	21.0
43	29	Sungei Way $M1	29	......	ZQ10	—	6.0
84	48	Tanjong 15p	52	......	4.35	2.3	12.9
75	50	Tongkah H'r$M1	51	......	‡Q30	1.3	‡
95	42	Tronoh	55	......	†4.02	3.5	11.2

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
112	52	Botswana RST R2	58	−2	—	—	—
390	196	Messina R0.50	270	......	tQ35c	2.9	7.2

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Charterhall 5p	41	−2	—	—	—
115	40	Colby Mines $1	62	......	—	—	—
760	360	Cons. Murch. 10c	660	+5	‡Q130c	2.2	‡
53½	29½	Laurasia	35	......	—	—	—
375	200	Northgate C$1	245	......	Q65c	1.0	12.7
211	80	R.T.Z.	174	−3	g5.51	4.4	4.9
135	47½	Sabina Inds. C$1	90	−3	—	—	—
81	47	Stanford Mines ‖	52	+4	—	—	—
£12½	875	Tara Expln. $1	£10¼	−⅛	—	—	—
78	38	Yukon Cons C$1	58	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures: they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of *net distribution; bracketed figures indicate 10 per cent. or more* difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ■ "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- ‖ Price at time of suspension.
- § Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- ¶ Based on 1973 profits
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend
- ★ Cover does not allow for shares which may also rank for *dividend at a future date. No P/E ratio usually provided.*
- ♥ Excluding a final dividend declaration.
- ‡ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 15

FINANCIAL TIMES

Saturday October 18 1975

Junior doctors consider tougher action over pay

BY DONALD MACLEAN AND LORELIES OLSLAGER

JUNIOR DOCTORS in various parts of the country were yesterday considering tougher industrial action, including strikes following the Government's refusal to grant them better overtime pay. Ministers appealed to them to accept the "rough justice" of the counter-inflation pay policy.

Meanwhile, controversy in medical and associated circles over Thursday's announcement that there is to be a Royal Commission of inquiry into the operation and financing of the National Health Service intensified.

Junior doctors yesterday reported that militancy among their colleagues had risen considerably as a result of their negotiators' failure to get any concession on the controversial overtime issue from Mrs. Barbara Castle, the Secretary for Health and Social Security, on Thursday.

Unofficial action—mostly in the form of refusal to treat any but emergency cases—could spread even before the results of the planned ballot on industrial action are known.

In the North-West, by far the most militant area, doctors are discussing an all-out strike, and most, if not all of the area's 155 hospitals are expected to be affected by an emergencies-only service.

In the meantime, the junior doctors' negotiators have obtained the help of the Department of Health and Social Security for sending out their ballot forms next week, and are hoping that the results will be known in about three to four weeks.

Junior doctors are to be asked whether they can accept any one of three options on overtime pay, or whether they are prepared to take industrial action

The negotiators thus hope to make it clear to the junior doctors that the problem stems from the Government's overall economic policy and that their decision has far-reaching implications.

This theme was also taken up yesterday by Dr. David Owen, Minister of State at the Department of Health, who appealed to junior doctors to understand that "the Government is not picking on them."

In a speech at Weston-super-Mare, Dr. Owen said the present pay policy had been voluntarily agreed. "It will be tested on many occasions in the months ahead, often by groups facing similar re-structuring problems to the junior doctors.

At Westminster, Conservative leaders prepared to attack the exclusion of the private beds issue from the Royal Commission's study.

At the same time, the unfavourable reception widely given to the inquiry by the medical profession culminated last night in an urgent request by the British Medical Association to meet Mr. Wilson, the Prime Minister—their second request to see him in 12 hours.

The exclusion of the pay beds issue from the inquiry would "inevitably undermine confidence in the value of the inquiry," the telegram said. Mr. Stevenson, secretary of the BMA, was willing to meet Mr. Wilson "at any time to discuss the issue.

The Prime Minister's earlier assurance that the Government's intention of removing private beds from health service hospitals would not be affected by the setting up of the Commission was welcomed by Mr. Bernard Dix, assistant general secretary of the National Union of Public Employees.

"Ever since the Labour Government took office," he commented, "the leaders of the BMA have been carping and complaining about the state of the health service.

"Now that they have an opportunity to do something constructive for the community they threaten to sulk in the corner like petulant children.

MAN OF THE WEEK

The cash has now run short

BY GUY DE JONQUIERES

IN THE EARLY hours of yesterday morning, after hours of negotiations to try to save New York from default, Mayor Abraham Beame telephoned the White House and asked to speak to President Ford. He was greeted with a frosty rebuff from a Presidential aide, who told him that Mr. Ford was already in bed and could not be disturbed.

This incident aptly illustrates two characteristics that have marked the Mayor's handling of New York's fiscal Armageddon. At the age of 69, and standing a mere 5 foot 3 inches, he seems to possess a boundless energy that is the envy of younger men and which often keeps him working late into the night. Yet all his activity and diligence fail to stop him racing up blind alleys, from which he must sometimes beat an ignominious retreat.

Resilience

In the face of the many financial setbacks which the City has experienced over the past few months, even Mr. Beame's severest critics concede that he had enormous resilience. As a child growing up on New York's lower East Side (where his Polish-Jewish parents moved after his birth in London), he was nicknamed "Spunky." Perhaps the best way to describe him is that he has "chutzpah"—the Yiddish word meaning gall or nerve.

A talent for hard work, a refusal to be put off and an undoubted love for New York are the hallmarks of Mr. Beame's career as a City administrator, which began 23 years ago when he was appointed Assistant Budget Director. He did so well sharpening up fiscal management and cutting out waste that he was promoted to the top job eight years later.

The reputation which he had acquired as something of a financial whiz-kid swept him to a landslide victory in the 1961 election for City Controller. After an unsuccessful campaign for Mayor in 1965 he spent four years working for a bank before resuming the Controller's job. Then, in November 1973, he again ran for Mayor and won by a substantial margin.

Mr. Beame's Mayoral campaign was based on his then unchallenged mastery of financial matters—his slogan was "he knows about the buck." He promised to combine a record of fiscal integrity with liberal programmes to promote social services. Above all, his message was that he would bring rigorous efficiency to the City's administration and make things work properly.

Less than two years later, these claims look bitterly ironic. It is arguable that the administration which Mr. Beame took over from Mayor John Lindsay was in pretty poor shape and that he was able to delve into some of its darker recesses only after he moved into City Hall. But it cannot be denied that he was also aware of the fiscal gimmickery and heavy short-term deficit financing used by the Lindsay administration to balance its budget. Indeed, only a few weeks ago, Mr. Beame admitted that he had continued to resort to similar practices after becoming Mayor.

Rebuffed

The damage which such admissions have done to Mr. Beame's reputation have also sharply eroded his political base in the City. His support among the powerful municipal unions, intractable partners even at the best of times, began to wane. He travelled to Washington repeatedly to try to extract a promise of Federal aid from the Ford Administration and was repeatedly rebuffed. At one point, he was deliberately excluded by his subordinates from an important meeting on the City budget.

The situation was compounded by a series of disclosures pointing to serious discrepancies in the City's accounting. It emerged that separate sets of figures had been prepared for different audiences, depending on whether they were bankers, politicians or the general public, which made it even harder to determine New York's precise financial condition. Under pressure from State officials, the Mayor was eventually and embarrassingly forced to admit that there was a cumulative deficit in the City budget of more than $9bn.

Complaints tribunal plan goes to Lords in row over Press

BY MICHAEL THOMPSON-NOEL

THE GOVERNMENT is to offer a compromise on the controversy over the freedom of the Press. On Monday, when the Trade Union and Labour Relations (Amendment) Bill goes back to the Lords, Lord Shepherd, the Lord Privy Seal, will propose an amendment to set up a special tribunal to hear complaints of alleged breaches of the proposed voluntary Press code of conduct.

The idea of a "mini Press Council" to deal with the internal affairs of the newspaper industry is seen as a means of averting a major constitutional clash between the Lords and Commons.

Evidence

Unlike the Press Council, which deals with consumers' complaints against newspapers, the new body would hear complaints from within the industry. It would have no legal backing, but evidence and judgements from tribunal hearings could be cited in High Court cases.

The aim is for the industry itself to set up the tribunal. If it failed to do so within a year, the tribunal would be created by Mr. Michael Foot, the Employment Secretary.

The key figures on Monday in the Lords will be Lord Goodman, chairman of the Newspaper Publishers' Association—who sits in the Lords as an independent—and the Conservative peers, who are still thought resolutely to support Lord Goodman's scheme for a statutory code of conduct for the industry embodying legal guarantees.

This plan was rejected by the Commons on Wednesday. In its place, Mr. Foot substituted provisions for a voluntary code covering the questions of editors' rights and access to the Press by outside contributors.

The Tory peers have made it clear that they consider Mr. Foot's scheme an inadequate safeguard against possible abuses of the code in a closed shop situation.

A copy of the Government's latest proposals—for a Press tribunal—was sent to Lord Goodman yesterday, but it is by no means certain they will be acceptable to him or to the Conservative peers.

Mr. Ken Morgan, general secretary of the National Union of Journalists, last night welcomed the plan. "In principle, we are in favour of machinery within the industry to deal with complaints of censorship or of breaches of the code of practice; we ourselves suggested just such a scheme last March."

New bill

Ministers emphasised yesterday that the idea of a Press tribunal was as far as they were prepared to go in meeting their critics. If the Lords next week insist on Lord Goodman's scheme and block the Bill, the Government would probably invoke the 1949 Parliament Act and introduce a new Bill early next session which the peers would be unable to alter.

Some hints were also being made in Government circles that, if the Lords persisted in their challenge to the Bill, a possible solution would be the creation of about 400 new Labour peers. Other Ministers would prefer to clip the Lords' powers along the lines proposed in 1968, which would mean fixing a retirement age for peers.

Southern Organs inquiry started

BY DAVID BELL

TWENTY BANKS and finance houses yesterday set up a committee to try to unravel the affairs of Southern Organs (International) whose two principal directors disappeared some weeks ago. It is understood that several million pounds may be involved.

Southern Organs, which has about 20 shops, specialised in importing Japanese organs and selling them through accredited dealers. The disappearance of the two men—Mr. Sidney Miller and Mr. John Bellord—is also being investigated by the commercial branch (fraud squad) of the Sussex Police who have been inquiring into them and the affairs of their Horsham-based company for the past week.

There are as yet no precise figures about the amount of money involved nor is it clear how many individuals may have had dealings with the company, but it was reliably stated last night that more than 1,000 people may be affected.

Large debts

The police and the finance houses do not yet fully understand how Southern Organs' debts have grown so large. It appears that a number of loans may have been raised on behalf of the same customer from different finance houses.

The investigating committee has been set up under the aegis of Mr. Victor Mishcon, a London solicitor, who said last night that "very sizeable" sums of money were involved, but he could not yet say how much.

"The purpose of the committee is to conduct inquiries from the point of view of the transactions in which the finance houses were engaged. In so far as we can give useful information to the police we will do so," he said.

Hire purchase

One leading finance house said yesterday that it had become uneasy late last year on discovering that several finance houses had been approached by Southern Organs within a few days to provide a hire purchase agreement for an organ on behalf of the same person. It later stopped dealing with Southern Organs.

There is also a suggestion that agreements may have been signed for organs which may never have been delivered. The finance house stressed that, with thousands of transactions a week, it was not always possible to check every one. It added that Mr. Miller and Mr. Bellord had never defaulted on a single payment nor given any real reason for concern.

The two men vanished some weeks ago after holding a champagne party in a Sussex nursing home with which they were connected. They left by helicopter for France carrying two briefcases and have not been heard of since. The company's sole remaining assets appear to be about 200 organs ranging in price from £600 to £5,000.

THE LEX COLUMN

The market after the banquet

On a day of drama for New York City the stock market in London was firmly preoccupied with domestic problems arising from Mr. Healey's speech on Thursday night. For some reason, the market had persuaded itself that there was a strong chance of immediate public spending cuts and reassuring words on policy towards the private sector, but nothing of the kind was forthcoming. So gilt-edged tumbled, and closed just about at the bottom with losses ranging to near two points among the longs; the FT Government Securities Index is at its lowest since June. Equities fell in sympathy, but at least there was something of a late pick-up, and the 30-Share Index has shown gains in both weeks of the account now ended.

Index fell 6.0 to 342.4

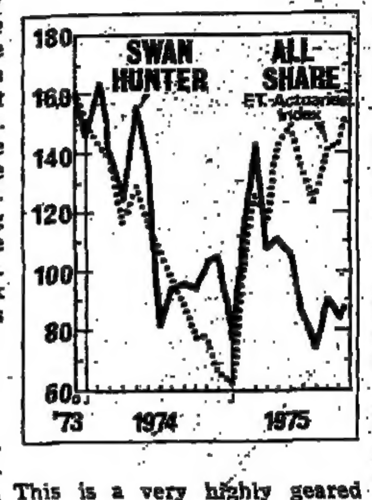
The problem for the market is that the Chancellor has at one and the same time indicated a very high borrowing requirement—of £12bn., it is widely assumed—and a relatively tight rein on the money supply. The logical outcome will be a policy to sell large quantities of gilts at high interest rates, with a consequent squeeze on the private sector. Such considerations have swamped the impact of more bullish trends in the U.S. where in the wake of a falling money supply prime rates are likely to start easing next week. A basic solution to New York City's problems, however, has still to be found.

Nationalisation

The shipbuilding and aerospace nationalisation programme has a high priority in the next parliamentary session, which is due to start in the middle of next month, and the Bill should be reintroduced well before Christmas. No fundamental changes are expected from the original Bill published earlier this year. There are some hopes that inter-company debt and the question of directors' personal liability may be treated in a less hysterical manner than originally intended, and even that there may be some form of compensation payment on account—so that companies are not forced by inflation to settle as quickly as possible. It will be a big surprise if the terms themselves are altered at this stage.

But the idea of basing compensation on an estimate of average stock exchange prices in the six months to February 1974 is looking increasingly absurd. This may have been thought smart at a time when all the companies concerned were selling at a substantial discount to net worth, but for some of the shipbuilders, the sums have been changing dramatically. Robb Caledon is the extreme example: the taxpayer is committed to paying nearly £1 per share for net assets of 10p after the recent provisions. Up in a much bigger league, Swan Hunter share price has dropped an eighth this week to 62p, about a third below the proposed compensation terms.

The group is no stranger to this sort of alarum—its shares dropped below 50p at one stage in August—despite its extremely strong balance sheet. But its liquidity is built on progress payments and its order book leans heavily on contracts from Maritime Fruit Carriers.



This is a very highly geared operation, where stockholders' equity makes up less than a sixth of the balance sheet total; MFC generated most of its earnings from ship sales in 1974 and lost money in the first half of this year.

Swan Hunter has said that earnings from its Maritime associate are maintainable this year. But as things stand it is unlikely to get any compensation money for at least a year, and in the end the Government makes the rules—as it showed when it fudged the steel terms downwards in 1967.

. . . Felixstowe Dock

Elsewhere on the nationalisation scene, some further light has been shed on the prospects for a takeover of Felixstowe Dock by the British Transport Docks Board for 150p cash. The deal has [illegible] given the go-ahead by [illegible]ister of Transport, an[illegible] has been given for [illegible] Board to present a B[illegible] liament. Within a w[illegible] the directors of Felix[illegible] be getting a formal [illegible] they will send out a [illegible]ment to shareholde[illegible] about ten days.

Subject to assuranc[illegible] future running of [illegible] they will be recomm[illegible] terms to shareholders, [illegible] is a big question [illegible] what happens next, fo[illegible] will still be condi[illegible] Royal Assent being re[illegible] any event this will ta[illegible] months, and it could [illegible] longer, that is why [illegible] are no higher than [illegible] In the circumstances [illegible]stowe Board should [illegible] premium being paid [illegible]pletion cannot be [illegible] within a reasonab[illegible] period.

British Leyland

As our letters colu[illegible] the sad story of Britis[illegible] Motor Corporation st[illegible] on, with a stream [illegible] holders protesting tha[illegible] not receive the Gov[illegible] 10p per share ca[illegible] Apparently there ar[illegible] hundred such cases [illegible] and the fact that th[illegible] originally 240,000 sh[illegible] in this very active[illegible] stock is of course n[illegible] British Leyland [illegible] 240,000 sale electio[illegible] were certainly despat[illegible] the returns were sup[illegible] conjunction with its [illegible] and that there is no [illegible] of any clerical mistak[illegible] says that some of the [illegible] have been made by p[illegible] disqualified themselve[illegible]ing out too long in [illegible] of a better offer.

The problem now [illegible] British Leyland were [illegible] all claims at face [illegible] could be overwhelm[illegible] hapless shareholders [illegible] with the company s[illegible] holding is now worth [illegible] less than the Go[illegible] offer. The sum in [illegible] present is small, bu[illegible] £13m. of the Governm[illegible] was not taken up. [illegible] looks as though sh[illegible] without firm evidenc[illegible] port their case—such [illegible] of posting—are goi[illegible] disappointed.

State unlikely to provide aid to boost Post Office orders

BY LORELIES OLSLAGER, LABOUR STAFF

THE GOVERNMENT has apparently rejected demands for large extra funds to be made available to the Post Office to avoid up to 18,000 redundancies in the telecommunications industry.

Mr. Eric Varley, Industry Secretary, is expected to hand the matter over to the Post Office to discuss with the companies and the unions concerned. This indicates the Government feels that it cannot step in with financial assistance to increase the level of Post Office ordering of telecommunications equipment.

The aim of the talks with the Post Office would be to see whether some small "modifications" could be made to the ordering programme to cushion the impact of the drastic cuts introduced in recent years.

Trade unions fear that up to 18,000 jobs could be lost if Post Office orders are kept at their present levels at a time of stagnation in the industry, and want orders to be restored to the 1973 level.

The four major telecommunications manufacturers have already announced that more than 7,000 workers will have to be made redundant over the next 12 months, and have warned of worse to come.

Modifications in the Post Office's ordering programme, which would have to be financed from the Corporation's funds, can at best enable the companies to stretch redundancies over a longer time span, leaving greater possibilities for reducing their workforce through voluntary redundancies and natural wastage.

Shop stewards

This is clearly not enough for the unions, who were expecting to have another meeting with Mr. Varley after putting their case to him more than two weeks ago.

After that meeting Mr. Varley asked Sir William Ryland, Post Office chairman, to report to him on the Corporation's demand forecasts and ordering plan.

The Electrical and Plumbing Trade Union will hold a conference of all its shop stewards in the industry on Monday to discuss their further course of action, including ways to put more pressure on the Government.

While hoping for further talks with Mr. Varley, the unions had instructed their members to resist any redundancies and the companies have largely held their hand.

But this week GEC is expected to begin discussions on its plans to close its factory at Accrington with the eventual loss of 500 jobs and to run down its 3,200-strong workforce in Scotland.

Plessey has introduced short-time working in most of its Merseyside factories, and has posted notices at several plants offering voluntary redundancies.

More cuts by Courtaulds

BY RHYS DAVID

COURTAULDS is to make further cuts in fibre production because demand for textiles is depressed. About 1,400 workers at its Holywell, Clwyd, staple viscose plant will be laid off for two months from the middle of next month.

The Holywell plant is the main production unit in the U.K. for viscose staple, a cellulosic fibre which goes into a variety of textile end uses from carpets to clothing.

Courtaulds is the only U.K. manufacturer of the fibre, which has been losing ground in recent years to other synthetic oil-based fibres, particularly in the carpet market. A substantial fall-off has also taken place in exports of viscose staple, which at one time had risen to as much as 50 per cent. of output.

Last year, the Greenfield plant was shut for 10 weeks by a strike and has been working well below capacity since then. Production in the U.K. of viscose staple which in 1973 totalled 188.9m. kg fell last year to 145.2m. kg and is likely to be lower again this year.

The lay-offs announced by the company yesterday will begin on November 17, and workers will not be expected to return until January 12. Production will be run down in the two weeks before the factory closes.

More than 1,000 workers at the Courtaulds acrylic spinning plant at Spennymoor, Co. Durham, will be on short time from Monday.

Continued from Page 1

New York rescued

sidering a legislative proposal to provide federal guarantees for

The legislation has the support of several senior Democrats, including Senators Hubert Humphrey and Henry Jackson, as well as that of Mr. Jacob Javits, the Republican Senator from New York. This sponsorship should ensure the Bill of a high place on the agenda when Congress returns from recess next week.

But—though New York's problems have attracted increasing sympathy in Congress in recent weeks, it remains uncertain whether any legislation to help the city will be approved by Capitol Hill or whether President Ford will veto it. Mr. Ford has studiously avoided committing himself on this question to date.

One influential factor working in New York's favour is that the Democratic Party has decided to hold its presidential convention here next year. After holding controversial and difficult conventions both in 1968 and 1972, the party is extremely sensitive to the embarrassment it could suffer if the strongly Democratic city of New York were to be in even more serious financial trouble nine months hence.

Weather

U.K. TO-DAY

MOSTLY dry; cloudy in S.W. and N. Ireland.

London, Cent. S. and N., N.W., E., N.E. England, Midlands, Channel Is., N. Wales, Lakes, I. of Man, Borders, S.W. Scotland, Glasgow

Early mist, sunny. Wind light. Max. 11C (52F).

S.E. England, E. Anglia

Mist at first. Sunny intervals with showers. Wind N.E., light. Max. 12C (54F).

Edinburgh, Dundee, Aberdeen, Cent. Highlands, Moray Firth, Argyll, N.W. Scotland

Mist; sunny periods. Wind S., light. Max. 10C (50F).

S.W. England

Sunny periods, cloudy. Rain later over Cornwall. Wind variable. Max. 13C (55F).

South Wales

Sunny periods; cloudy later. Wind S., moderate. Max. 13C (55F).

N.E. Scotland, Orkney, Shetland

Mainly dry. Wind E., light. Max. 9C (48F).

N. Ireland

Sunny; cloudy later. Wind S., becoming fresh. Max. 11C (52F).

Outlook: Dry and sunny, except in W.

Lighting-up: London 18.33; Manchester 18.38; Glasgow 18.42; Belfast 18.51.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Amstrdm.	S	14	57	Luxembrg.	S	13	55
Athens	F	23	73	Madrid	S	16	61
Bahrain	S	30	86	Manchstr.	C	11	52
Barcelona	S	15	59	Mlbourne	R	11	52
Beirut	S	28	82	Mexico C.	S	19	66
Belfast	C	7	45	Montreal	C	6	42
Belgrade	C	16	61	Moscow	C	4	39
Berlin	C	12	54	Munich	R	7	45
Birmghm.	C	10	50	Newcastle	C	11	52
Bristol	C	11	52	New York	C	14	57
Brussels	F	11	52	Oslo	S	12	54
Budapest	R	12	54	Paris	C	11	52
B. Aires	S	26	79	Perth	R	19	66
Cairo	S	31	87	Prague	F	10	50
Cardiff	S	12	54	Reykjavik	C	6	43
Cologne	F	9	48	Singapore	S	31	87
Copnhagn.	C	8	46	Stockholm	F	9	48
Dublin	Fg	6	43	Strasbourg	C	12	54
Edinb'gh	Fg	6	43	Sydney	S	19	66
Frankfurt	S	12	54	Tehran	S	20	68
Geneva	R	7	45	Tel Aviv	S	28	82
Glasgow	S	7	45	Tokyo	C	18	64
Helsinki	F	9	48	Toronto	C	6	44
H. Kong	C	24	75	Vienna	R	10	50
Jo'burg	S	25	77	Warsaw	S	13	55
Lisbon	C	18	64	Zurich	D	7	45
London	C	[illegible]	[illegible]				

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	C	16	61	Las Plms.	S	23	73
Algiers	C	21	70	Locarno	C	18	64
Biarritz	F	14	57	Majorca	S	19	66
Blackpool	S	13	55	Malaga	S	22	72
Bordeaux	F	14	57	Malta	F	21	70
Boulogne	R	9	48	Nairobi	S	23	73
Casablnca.	S	20	68	Naples	C	17	63
Cape Tn.	S	21	69	Nice	C	16	61
Corfu	C	23	73	Nicosia	S	26	79
Faro	S	22	72	Oporto	F	16	61
Florence	C	14	57	Rhodes	S	26	79
Gibraltar	S	21	70	Salzburg	R	9	48
Guernsey	S	12	54	Tangier	S	18	64
Innsbruck	R	8	46	Tenerife	C	18	64
Inverness	S	9	48	Tunis	C	23	73
I. of Man	F	13	55	Valencia	S	21	70
Istanbul	F	23	73	Venice	R	12	54
Jersey	F	14	57				

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